



Rep. Lou Lang

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LRB095 01227 AMC 51731 a

1 AMENDMENT TO HOUSE BILL 2650

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 2650 by replacing  
3 everything after the enacting clause with the following:

4 "ARTICLE 1.

5 Section 1-1. Short title. This Act may be cited as the  
6 Chicago Casino Development Authority Act.

7 Section 1-5. Definitions. As used in this Act:

8 "Authority" means the Chicago Casino Development Authority  
9 created by this Act.

10 "Board" means the board appointed pursuant to this Act to  
11 govern and control the Authority.

12 "Casino" means one temporary land-based facility and a  
13 permanent land-based facility, at each of which lawful gambling  
14 is authorized and licensed as provided in the Illinois Gambling  
15 Act.

1 "City" means the City of Chicago.

2 "Casino operator licensee" means any person or entity  
3 selected by the Authority and approved and licensed by the  
4 Gaming Board to manage and operate a casino within the City of  
5 Chicago pursuant to a casino management contract.

6 "Casino management contract" means a legally binding  
7 agreement between the Authority and a casino operator licensee  
8 to operate or manage a casino.

9 "Executive director" means the person appointed by the  
10 Board to oversee the daily operations of the Authority.

11 "Gaming Board" means the Illinois Gaming Board created by  
12 the Illinois Gambling Act.

13 "Mayor" means the Mayor of the City.

14 Section 1-12. Creation of the Authority. After the 5  
15 members of the Illinois Gaming Board are appointed and  
16 qualified pursuant to this amendatory Act of the 95th General  
17 Assembly, there is hereby created a political subdivision, unit  
18 of local government with only the powers authorized by law,  
19 body politic, and municipal corporation, by the name and style  
20 of the Chicago Casino Development Authority.

21 Section 1-13. Duties of the Authority. It shall be the duty  
22 of the Authority, as a casino licensee under the Illinois  
23 Gambling Act, to promote, operate, and maintain a casino in the  
24 City. The Authority shall construct, equip, and maintain

1 grounds, buildings, and facilities for that purpose. The  
2 Authority has the right to contract with a casino operator  
3 licensee and other third parties in order to fulfill its  
4 purpose. The Authority is granted all rights and powers  
5 necessary to perform such duties.

6 Section 1-15. Board.

7 (a) The governing and administrative powers of the  
8 Authority shall be vested in a body known as the Chicago Casino  
9 Development Board. The Board shall consist of 3 members  
10 appointed by the Mayor. All appointees shall be subject to  
11 background investigation and approval by the Gaming Board. One  
12 of these members shall be designated by the Mayor to serve as  
13 chairperson. All of the members appointed by the Mayor shall be  
14 residents of the City.

15 (b) Board members shall receive \$300 for each day the  
16 Authority meets and shall be entitled to reimbursement of  
17 reasonable expenses incurred in the performance of their  
18 official duties. A Board member who serves in the office of  
19 secretary-treasurer may also receive compensation for services  
20 provided as that officer.

21 Section 1-20. Terms of appointments; resignation and  
22 removal.

23 (a) The Mayor shall appoint one member of the Board for an  
24 initial term expiring July 1 of the year following approval by

1 the Gaming Board, one member for an initial term expiring July  
2 1 three years following approval by the Gaming Board, and one  
3 member for an initial term expiring July 1 five years following  
4 approval by the Gaming Board.

5 (b) All successors shall hold office for a term of 5 years  
6 from the first day of July of the year in which they are  
7 appointed, except in the case of an appointment to fill a  
8 vacancy. Each member, including the chairperson, shall hold  
9 office until the expiration of his or her term and until his or  
10 her successor is appointed and qualified. Nothing shall  
11 preclude a member from serving consecutive terms. Any member  
12 may resign from office, to take effect when a successor has  
13 been appointed and qualified. A vacancy in office shall occur  
14 in the case of a member's death or indictment, conviction, or  
15 plea of guilty to a felony. A vacancy shall be filled for the  
16 unexpired term by the Mayor with the approval of the Gaming  
17 Board.

18 (c) The Mayor or the Gaming Board may remove any member of  
19 the Board upon a finding of incompetence, neglect of duty, or  
20 misfeasance or malfeasance in office or for a violation of this  
21 Act. The Gaming Board may remove any member of the Board for  
22 any violation of the Illinois Gambling Act or the rules and  
23 regulations of the Gaming Board.

24 Section 1-25. Organization of Board; meetings. After  
25 appointment by the Mayor and approval of the Gaming Board, the

1 Board shall organize for the transaction of business. The Board  
2 shall prescribe the time and place for meetings, the manner in  
3 which special meetings may be called, and the notice that must  
4 be given to members. All actions and meetings of the Board  
5 shall be subject to the provisions of the Open Meetings Act.  
6 Two members of the Board shall constitute a quorum. All  
7 substantive action of the Board shall be by resolution with an  
8 affirmative vote of a majority of the members.

9 Section 1-30. Executive director; officers.

10 (a) The Board shall appoint an executive director, subject  
11 to completion of a background investigation and approval by the  
12 Gaming Board, who shall be the chief executive officer of the  
13 Authority. The Board shall fix the compensation of the  
14 executive director. Subject to the general control of the  
15 Board, the executive director shall be responsible for the  
16 management of the business, properties, and employees of the  
17 Authority. The executive director shall direct the enforcement  
18 of all resolutions, rules, and regulations of the Board, and  
19 shall perform such other duties as may be prescribed from time  
20 to time by the Board. All employees and independent  
21 contractors, consultants, engineers, architects, accountants,  
22 attorneys, financial experts, construction experts and  
23 personnel, superintendents, managers, and other personnel  
24 appointed or employed pursuant to this Act shall report to the  
25 executive director. In addition to any other duties set forth

1 in this Act, the executive director shall do all of the  
2 following:

3 (1) Direct and supervise the administrative affairs  
4 and activities of the Authority in accordance with its  
5 rules, regulations, and policies.

6 (2) Attend meetings of the Board.

7 (3) Keep minutes of all proceedings of the Board.

8 (4) Approve all accounts for salaries, per diem  
9 payments, and allowable expenses of the Board and its  
10 employees and consultants.

11 (5) Report and make recommendations to the Board  
12 concerning the terms and conditions of any casino  
13 management contract.

14 (6) Perform any other duty that the Board requires for  
15 carrying out the provisions of this Act.

16 (7) Devote his or her full time to the duties of the  
17 office and not hold any other office or employment.

18 (b) The Board may select a secretary-treasurer to hold  
19 office at the pleasure of the Board. The Board shall fix the  
20 duties of such officer.

21 Section 1-31. General rights and powers of the Authority.  
22 In addition to the duties and powers set forth in this Act, the  
23 Authority shall have the following rights and powers:

24 (1) Adopt and alter an official seal.

25 (2) Establish and change its fiscal year.

1           (3) Sue and be sued, plead and be impleaded, all in its  
2 own name, and agree to binding arbitration of any dispute  
3 to which it is a party.

4           (4) Adopt, amend, and repeal by-laws, rules, and  
5 regulations consistent with the furtherance of the powers  
6 and duties provided for.

7           (5) Maintain its principal office within the City and  
8 such other offices as the Board may designate.

9           (6) Select locations in the City for a temporary and a  
10 permanent casino, subject to final approval by the Gaming  
11 Board.

12           (7) Conduct background investigations of potential  
13 casino operator licensees, including its principals or  
14 shareholders, and Authority staff. The Authority may  
15 request the assistance of the Office of Gaming Enforcement.

16           (8) Employ, either as regular employees or independent  
17 contractors, consultants, engineers, architects,  
18 accountants, attorneys, financial experts, construction  
19 experts and personnel, superintendents, managers and other  
20 professional personnel, and such other personnel as may be  
21 necessary in the judgment of the Board, and fix their  
22 compensation.

23           (9) Own, acquire, construct, equip, lease, operate,  
24 and maintain grounds, buildings, and facilities to carry  
25 out its corporate purposes and duties.

26           (10) Enter into, revoke, and modify contracts, subject

1 to final approval of the Gaming Board.

2 (11) Enter into a casino management contract subject to  
3 the final approval of the Gaming Board.

4 (12) Develop, or cause to be developed by a third  
5 party, a master plan for the design, planning, and  
6 development of a casino.

7 (13) Negotiate and enter into intergovernmental  
8 agreements with the State and its agencies, the City, and  
9 other units of local government, in furtherance of the  
10 powers and duties of the Board. However, the Authority may  
11 not enter into an agreement with the State Police.

12 (14) Receive and disburse funds for its own corporate  
13 purposes or as otherwise specified in this Act.

14 (15) Borrow money from any source, public or private,  
15 for any corporate purpose, including, without limitation,  
16 working capital for its operations, reserve funds, or  
17 payment of interest, and to mortgage, pledge, or otherwise  
18 encumber the property or funds of the Authority and to  
19 contract with or engage the services of any person in  
20 connection with any financing, including financial  
21 institutions, issuers of letters of credit, or insurers and  
22 enter into reimbursement agreements with this person or  
23 entity which may be secured as if money were borrowed from  
24 the person or entity.

25 (16) Issue bonds as provided for under this Act.

26 (17) Receive and accept from any source, private or

1 public, contributions, gifts, or grants of money or  
2 property to the Authority.

3 (18) Provide for the insurance of any property,  
4 operations, officers, members, agents, or employees of the  
5 Authority against any risk or hazard, to self-insure or  
6 participate in joint self-insurance pools or entities to  
7 insure against such risk or hazard, and to provide for the  
8 indemnification of its officers, members, employees,  
9 contractors, or agents against any and all risks.

10 (19) Exercise all the corporate powers granted  
11 Illinois corporations under the Business Corporation Act  
12 of 1983, except to the extent that powers are inconsistent  
13 with those of a body politic and corporate of the State.

14 (20) Do all things necessary or convenient to carry out  
15 the powers granted by this Act.

16 Section 1-32. Ethical Conduct.

17 (a) Board members and employees of the Authority must carry  
18 out their duties and responsibilities in such a manner as to  
19 promote and preserve public trust and confidence in the  
20 integrity and conduct of gaming.

21 (b) Except as may be required in the conduct of official  
22 duties, Board members and employees of the Authority shall not  
23 engage in gambling on any riverboat, in any casino, or in an  
24 electronic gaming facility licensed by the Illinois Gaming  
25 Board or engage in legalized gambling in any establishment

1 identified by Board action that, in the judgment of the Board,  
2 could represent a potential for a conflict of interest.

3 (c) A Board member or employee of the Authority shall not  
4 use or attempt to use his or her official position to secure or  
5 attempt to secure any privilege, advantage, favor, or influence  
6 for himself or herself or others.

7 (d) Board members and employees of the Authority shall not  
8 hold or pursue employment, office, position, business, or  
9 occupation that may conflict with his or her official duties.  
10 Employees may engage in other gainful employment so long as  
11 that employment does not interfere or conflict with their  
12 duties. Such employment must be disclosed to the Executive  
13 Director and approved by the Board.

14 (e) Board members and employees of the Authority may not  
15 engage in employment, communications, or any activity that may  
16 be deemed a conflict of interest. This prohibition shall extend  
17 to any act identified by Board action or Gaming Board action  
18 that, in the judgment of the either entity, could represent the  
19 potential for or the appearance of a conflict of interest.

20 (f) Board members and employees of the Authority may not  
21 have a financial interest, directly or indirectly, in his or  
22 her own name or in the name of any other person, partnership,  
23 association, trust, corporation, or other entity in any  
24 contract or subcontract for the performance of any work for the  
25 Authority. This prohibition shall extend to the holding or  
26 acquisition of an interest in any entity identified by Board

1 action or Gaming Board action that, in the judgment of the  
2 either entity, could represent the potential for or the  
3 appearance of a financial interest. The holding or acquisition  
4 of an interest in such entities through an indirect means, such  
5 as through a mutual fund, shall not be prohibited, except that  
6 the Gaming Board may identify specific investments or funds  
7 that, in its judgment, are so influenced by gaming holdings as  
8 to represent the potential for or the appearance of a conflict  
9 of interest.

10 (g) Board members and employees of the Authority may not  
11 accept any gift, gratuity, service, compensation, travel,  
12 lodging, or thing of value, with the exception of unsolicited  
13 items of an incidental nature, from any person, corporation, or  
14 entity doing business with the Authority.

15 (h) No Board member or employee of the Authority may,  
16 within a period of 2 years immediately after termination of  
17 employment, knowingly accept employment or receive  
18 compensation or fees for services from a person or entity, or  
19 its parent or affiliate, that has engaged in business with the  
20 Authority that resulted in contracts with an aggregate value of  
21 at least \$25,000 or if that Board member or employee has made a  
22 decision that directly applied to the person or entity, or its  
23 parent or affiliate.

24 (i) A spouse, child, or parent of a Board member or  
25 employee of the Authority may not have a financial interest,  
26 directly or indirectly, in his or her own name or in the name

1 of any other person, partnership, association, trust,  
2 corporation, or other entity in any contract or subcontract for  
3 the performance of any work for the Authority. This prohibition  
4 shall extend to the holding or acquisition of an interest in  
5 any entity identified by Board action or Gaming Board action  
6 that, in the judgment of the either entity, could represent the  
7 potential for or the appearance of a conflict of interest. The  
8 holding or acquisition of an interest in such entities through  
9 an indirect means, such as through a mutual fund, shall not be  
10 prohibited, except that the Gaming Board may identify specific  
11 investments or funds that, in its judgment, are so influenced  
12 by gaming holdings as to represent the potential for or the  
13 appearance of a conflict of interest.

14 (j) A spouse, child, or parent of a Board member or  
15 employee of the Authority may not accept any gift, gratuity,  
16 service, compensation, travel, lodging, or thing of value, with  
17 the exception of unsolicited items of an incidental nature,  
18 from any person, corporation, or entity doing business with the  
19 Authority.

20 (k) A spouse, child, or parent of a Board member or  
21 employee of the Authority may not, within a period of 2 years  
22 immediately after termination of employment, knowingly accept  
23 employment or receive compensation or fees for services from a  
24 person or entity, or its parent or affiliate, that has engaged  
25 in business with the Authority that resulted in contracts with  
26 an aggregate value of at least \$25,000 or if that Board member

1 or employee has made a decision that directly applied to the  
2 person or entity, or its parent or affiliate.

3 (l) No Board member or employee of the Authority may  
4 attempt, in any way, to influence any person or corporation  
5 doing business with the Authority or any officer, agent, or  
6 employee thereof to hire or contract with any person or  
7 corporation for any compensated work.

8 (m) Any communication between an elected official of the  
9 City and any applicant for or party to a casino management  
10 contract with the Authority, or an officer, director, or  
11 employee thereof, concerning any manner relating in any way to  
12 gaming or the Authority shall be disclosed to the Board and the  
13 Gaming Board. Such disclosure shall be in writing by the  
14 official within 30 days of the communication and shall be filed  
15 with the Board. Disclosure must consist of the date of the  
16 communication, the identity and job title of the person with  
17 whom the communication was made, a brief summary of the  
18 communication, the action requested or recommended, all  
19 responses made, the identity and job title of the person making  
20 the response, and any other pertinent information.

21 (n) Any Board member or employee of the Authority who  
22 violates any provision of this Section is guilty of a Class 4  
23 felony.

24 Section 1-45. Casino management contracts.

25 (a) The Board shall develop and administer a competitive

1 sealed bidding process for the selection of a potential casino  
2 operator licensee to develop or operate a casino within the  
3 City. The Board shall issue one or more requests for proposals.  
4 The Board may establish minimum financial and investment  
5 requirements to determine the eligibility of persons to respond  
6 to the Board's requests for proposal, and may establish and  
7 consider such other criteria as it deems appropriate. The Board  
8 may impose a fee upon persons who respond to requests for  
9 proposal, in order to reimburse the Board for its costs in  
10 preparing and issuing the requests and reviewing the proposals.

11 (b) Within 5 days after the time limit for submitting bids  
12 and proposals has passed, the Board shall make all bids and  
13 proposals public. Thereafter, the Board shall evaluate the  
14 responses to its requests for proposal and the ability of all  
15 persons or entities responding to its request for proposal to  
16 meet the requirements of this Act and to undertake and perform  
17 the obligations set forth in its requests for proposal.

18 (c) After reviewing proposals and subject to Gaming Board  
19 approval, the Board shall enter into a casino management  
20 contract authorizing the development, construction, or  
21 operation of a casino. Validity of the casino management  
22 contract is contingent upon the issuance of a casino operator  
23 license to the successful bidder. If the Gaming Board approves  
24 the contract and grants a casino operator license, the Board  
25 shall transmit a copy of the executed casino management  
26 contract to the Gaming Board.

1 (d) After the Authority has been issued a casino license,  
2 the Gaming Board has issued a casino operator license, and the  
3 Gaming Board has approved the location of a temporary facility,  
4 the Authority may conduct gaming operations at a temporary  
5 facility for no longer than 12 months after gaming operations  
6 begin. The Gaming Board may, after holding a public hearing,  
7 grant an extension so long as a permanent facility is not  
8 operational and the Authority is working in good faith to  
9 complete the permanent facility. The Gaming Board may grant  
10 additional extensions following a public hearing. Each  
11 extension may be for a period of no longer than 6 months.

12 (e) Fifty percent of the total amount received as an  
13 upfront fee by the Authority pursuant to a bid for a casino  
14 management contract or an executed casino management contract  
15 or \$300,000,000, whichever is greater, must be transmitted to  
16 the State and deposited into the Illinois Works Fund pursuant  
17 to Section 7.11 of the Illinois Gambling Act.

18 Section 1-50. Transfer of funds. The revenues received by  
19 the Authority (other than amounts required to be paid pursuant  
20 to the Illinois Gambling Act and amounts required to pay the  
21 operating expenses of the Authority, to pay amounts due the  
22 casino operator licensee pursuant to a casino management  
23 contract, to repay any borrowing of the Authority made pursuant  
24 to Section 1-31, to pay debt service on any bonds issued under  
25 Section 1-75, and to pay any expenses in connection with the

1 issuance of such bonds pursuant to Section 1-75 or derivative  
2 products pursuant to Section 1-85) shall be transferred to the  
3 City by the Authority.

4 Section 1-55. Municipal distributions of proceeds from a  
5 casino; gaming endowment funds. At least 70% of the moneys that  
6 a municipality in which a casino is located receives pursuant  
7 to Section 1-50 of this Act shall be described as "gaming  
8 endowment funds" and be expended or obligated by the  
9 municipality for the following purposes and in the following  
10 amounts:

11 (1) 40% of such gaming endowment funds shall be used  
12 for or pledged for the construction and maintenance of  
13 infrastructure within the municipality, including but not  
14 limited to roads, bridges, transit infrastructure, and  
15 municipal facilities.

16 (2) 60% of such gaming endowment funds shall be used  
17 for or pledged for the construction and maintenance of  
18 schools, parks and cultural institution facilities, and  
19 museums within the municipality.

20 Section 1-60. Auditor General.

21 (a) Prior to the issuance of bonds under this Act, the  
22 Authority shall submit to the Auditor General a certification  
23 that:

24 (1) it is legally authorized to issue bonds;

1           (2) scheduled annual payments of principal and  
2 interest on the bonds to be issued meet the requirements of  
3 Section 1-75 of this Act;

4           (3) no bond shall mature later than 30 years; and

5           (4) after payment of costs of issuance and necessary  
6 deposits to funds and accounts established with respect to  
7 debt service on the bonds, the net bond proceeds (exclusive  
8 of any proceeds to be used to refund outstanding bonds)  
9 will be used only for the purposes set forth in this Act.

10          The Authority also shall submit to the Auditor General its  
11 projections on revenues to be generated and pledged to  
12 repayment of the bonds as scheduled and such other information  
13 as the Auditor General may reasonably request.

14          The Auditor General shall examine the certifications and  
15 information submitted and submit a report to the Authority and  
16 the Gaming Board indicating whether the required  
17 certifications, projections, and other information have been  
18 submitted by the Authority and that the assumptions underlying  
19 the projections are not unreasonable in the aggregate. The  
20 Auditor General shall submit the report no later than 60 days  
21 after receiving the information required to be submitted by the  
22 Authority.

23          The Authority shall not issue bonds until it receives the  
24 report from the Auditor General indicating the requirements of  
25 this Section have been met. The Auditor General's report shall  
26 not be in the nature of a post-audit or examination and shall

1 not lead to the issuance of an opinion, as that term is defined  
2 in generally accepted government auditing standards. The  
3 Auditor General shall submit a bill to the Authority for costs  
4 associated with the examinations and report required under this  
5 Section. The Authority shall reimburse in a timely manner.

6 (b) The Auditor General has the authority and is required  
7 to conduct a financial and management audit of the Authority  
8 every 2 years. The Auditor General shall also conduct one  
9 post-construction and financing audit of the casino after it is  
10 completed and in operation. The Auditor General's audits must  
11 be posted on his or her Internet website. The Auditor General  
12 shall submit a bill to the Authority for costs associated with  
13 the audits required under this Section. The Authority shall  
14 reimburse in a timely manner.

15 Section 1-62. Advisory committee. An Advisory Committee is  
16 established to monitor, review, and report on (1) the City's  
17 utilization of minority-owned business enterprises and  
18 female-owned business enterprises, (2) employment of females,  
19 and (3) employment of minorities with regard to the development  
20 and construction of the casino as authorized under Section  
21 7(e-6) of the Riverboat and Casino Gambling Act. The City of  
22 Chicago shall work with the Advisory Committee in accumulating  
23 necessary information for the Committee to submit reports, as  
24 necessary, to the General Assembly and to the City of Chicago.

25 The Committee shall consist of 15 members as provided in

1 this Section. Seven members shall be selected by the Mayor of  
2 the City of Chicago; 2 members shall be selected by the  
3 President of the Illinois Senate; 2 members shall be selected  
4 by the Speaker of the House of Representatives; 2 members shall  
5 be selected by the Minority Leader of the Senate; and 2 members  
6 shall be selected by the Minority Leader of the House of  
7 Representatives. The Advisory Committee shall meet  
8 periodically and shall report the information to the Mayor of  
9 the City and to the General Assembly by December 31st of every  
10 year.

11 The Advisory Committee shall be dissolved on the date that  
12 casino gambling operations are first conducted under the  
13 license authorized under Section 7(e-6) of the Illinois  
14 Gambling Act, other than at a temporary facility.

15 For the purposes of this Section, the terms "female" and  
16 "minority person" have the meanings provided in Section 2 of  
17 the Business Enterprise for Minorities, Females, and Persons  
18 with Disabilities Act.

19 Section 1-65. Acquisition of property; eminent domain  
20 proceedings. For the lawful purposes of this Act, the City may  
21 acquire by eminent domain or by condemnation proceedings in the  
22 manner provided by the Eminent Domain Act, real or personal  
23 property or interests in real or personal property located in  
24 the City, and the City may convey to the Authority property so  
25 acquired. The acquisition of property under this Section is

1 declared to be for a public use.

2 Section 1-70. Local regulation. The casino facilities and  
3 operations therein shall be subject to all ordinances and  
4 regulations of the City. The construction, development, and  
5 operation of the casino shall comply with all ordinances,  
6 regulations, rules, and controls of the City, including but not  
7 limited to those relating to zoning and planned development,  
8 building, fire prevention, and land use. However, the  
9 regulation of gaming operations is subject to the exclusive  
10 jurisdiction of the Gaming Board.

11 Section 1-75. Borrowing.

12 (a) The Authority may borrow money and issue bonds as  
13 provided in this Section. Bonds of the Authority may be issued  
14 to provide funds for land acquisition, site assembly and  
15 preparation, and the design and construction of the casino, as  
16 defined in the Illinois Gambling Act, all ancillary and related  
17 facilities comprising the casino complex, and all on-site and  
18 off-site infrastructure improvements required in connection  
19 with the development of the casino; to refund (at the time or  
20 in advance of any maturity or redemption) or redeem any bonds  
21 of the Authority; to provide or increase a debt service reserve  
22 fund or other reserves with respect to any or all of its bonds;  
23 or to pay the legal, financial, administrative, bond insurance,  
24 credit enhancement, and other legal expenses of the

1 authorization, issuance, or delivery of bonds. In this Act, the  
2 term "bonds" also includes notes of any kind, interim  
3 certificates, refunding bonds, or any other evidence of  
4 obligation for borrowed money issued under this Section. Bonds  
5 may be issued in one or more series and may be payable and  
6 secured either on a parity with or separately from other bonds.

7 (b) The bonds of the Authority shall be payable from one or  
8 more of the following sources: (i) the property or revenues of  
9 the Authority; (ii) revenues derived from the casino; (iii)  
10 revenues derived from any casino operator licensee; (iv) fees,  
11 bid proceeds, charges, lease payments, payments required  
12 pursuant to any casino management contract or other revenues  
13 payable to the Authority, or any receipts of the Authority; (v)  
14 payments by financial institutions, insurance companies, or  
15 others pursuant to letters or lines of credit, policies of  
16 insurance, or purchase agreements; (vi) investment earnings  
17 from funds or accounts maintained pursuant to a bond resolution  
18 or trust indenture; (vii) proceeds of refunding bonds; (viii)  
19 any other revenues derived from or payments by the City; and  
20 (ix) any payments by any casino operator licensee or others  
21 pursuant to any guaranty agreement.

22 (c) Bonds shall be authorized by a resolution of the  
23 Authority and may be secured by a trust indenture by and  
24 between the Authority and a corporate trustee or trustees,  
25 which may be any trust company or bank having the powers of a  
26 trust company within or without the State. Bonds shall meet the

1 following requirements:

2 (1) Bonds shall bear interest at a rate not to exceed  
3 the maximum rate authorized by the Bond Authorization Act.

4 (2) Bonds issued pursuant to this Section must be  
5 issued with principal or mandatory redemption amounts in  
6 equal amounts, with the first maturity issued occurring  
7 within the fiscal year in which the bonds are issued or  
8 within the next succeeding fiscal year, and with bonds  
9 maturing or subject to mandatory redemption each fiscal  
10 year thereafter up to 30 years.

11 (3) At least 25%, based on total principal amount, of  
12 all bonds issued pursuant to this Section shall be sold  
13 pursuant to notice of sale and public bid. No more than  
14 75%, based on total principal amount, of all bonds issued  
15 pursuant to this Section shall be sold by negotiated sale.

16 (4) Bonds shall be payable at a time or times, in the  
17 denominations and form, including book entry form, either  
18 coupon, registered, or both, and carry the registration and  
19 privileges as to exchange, transfer or conversion, and  
20 replacement of mutilated, lost, or destroyed bonds as the  
21 resolution or trust indenture may provide.

22 (5) Bonds shall be payable in lawful money of the  
23 United States at a designated place.

24 (6) Bonds shall be subject to the terms of purchase,  
25 payment, redemption, refunding, or refinancing that the  
26 resolution or trust indenture provides.

1           (7) Bonds shall be executed by the manual or facsimile  
2           signatures of the officers of the Authority designated by  
3           the Board, which signatures shall be valid at delivery even  
4           for one who has ceased to hold office.

5           (8) Bonds shall be sold at public or private sale in  
6           the manner and upon the terms determined by the Authority.

7           (9) Bonds shall be issued in accordance with the  
8           provisions of the Local Government Debt Reform Act.

9           (d) The Authority shall adopt a procurement program with  
10          respect to contracts relating to underwriters, bond counsel,  
11          financial advisors, and accountants. The program shall include  
12          goals for the payment of not less than 30% of the total dollar  
13          value of the fees from these contracts to minority owned  
14          businesses and female owned businesses as defined in the  
15          Business Enterprise for Minorities, Females, and Persons with  
16          Disabilities Act. The Authority shall conduct outreach to  
17          minority owned businesses and female owned businesses.  
18          Outreach shall include, but is not limited to, advertisements  
19          in periodicals and newspapers, mailings, and other appropriate  
20          media. The Authority shall submit to the General Assembly a  
21          comprehensive report that shall include, at a minimum, the  
22          details of the procurement plan, outreach efforts, and the  
23          results of the efforts to achieve goals for the payment of  
24          fees.

25          (e) Subject to the Illinois Gambling Act and rules of the  
26          Gaming Board regarding pledging of interests in holders of

1 owners licenses, any resolution or trust indenture may contain  
2 provisions that may be a part of the contract with the holders  
3 of the bonds as to the following:

4 (1) Pledging, assigning, or directing the use,  
5 investment, or disposition of revenues of the Authority or  
6 proceeds or benefits of any contract, including without  
7 limitation, any rights in any casino management contract.

8 (2) The setting aside of loan funding deposits, debt  
9 service reserves, replacement or operating reserves, cost  
10 of issuance accounts and sinking funds, and the regulation,  
11 investment, and disposition thereof.

12 (3) Limitations on the purposes to which or the  
13 investments in which the proceeds of sale of any issue of  
14 bonds or the Authority's revenues and receipts may be  
15 applied or made.

16 (4) Limitations on the issue of additional bonds, the  
17 terms upon which additional bonds may be issued and  
18 secured, the terms upon which additional bonds may rank on  
19 a parity with, or be subordinate or superior to, other  
20 bonds.

21 (5) The refunding, advance refunding, or refinancing  
22 of outstanding bonds.

23 (6) The procedure, if any, by which the terms of any  
24 contract with bondholders may be altered or amended and the  
25 amount of bonds and holders of which must consent thereto  
26 and the manner in which consent shall be given.

1           (7) Defining the acts or omissions which shall  
2           constitute a default in the duties of the Authority to  
3           holders of bonds and providing the rights or remedies of  
4           such holders in the event of a default, which may include  
5           provisions restricting individual rights of action by  
6           bondholders.

7           (8) Providing for guarantees, pledges of property,  
8           letters of credit, or other security, or insurance for the  
9           benefit of bondholders.

10          (f) No member of the Board, nor any person executing the  
11          bonds, shall be liable personally on the bonds or subject to  
12          any personal liability by reason of the issuance of the bonds.

13          (g) The Authority may issue and secure bonds in accordance  
14          with the provisions of the Local Government Credit Enhancement  
15          Act.

16          (h) A pledge by the Authority of revenues and receipts as  
17          security for an issue of bonds or for the performance of its  
18          obligations under any casino management contract shall be valid  
19          and binding from the time when the pledge is made. The revenues  
20          and receipts pledged shall immediately be subject to the lien  
21          of the pledge without any physical delivery or further act, and  
22          the lien of any pledge shall be valid and binding against any  
23          person having any claim of any kind in tort, contract, or  
24          otherwise against the Authority, irrespective of whether the  
25          person has notice. No resolution, trust indenture, management  
26          agreement or financing statement, continuation statement, or

1 other instrument adopted or entered into by the Authority need  
2 be filed or recorded in any public record other than the  
3 records of the Authority in order to perfect the lien against  
4 third persons, regardless of any contrary provision of law.

5 (i) Bonds that are being paid or retired by issuance, sale,  
6 or delivery of bonds, and bonds for which sufficient funds have  
7 been deposited with the paying agent or trustee to provide for  
8 payment of principal and interest thereon, and any redemption  
9 premium, as provided in the authorizing resolution, shall not  
10 be considered outstanding for the purposes of this subsection.

11 (j) The bonds of the Authority shall not be indebtedness of  
12 the State. The bonds of the Authority are not general  
13 obligations of the State and are not secured by a pledge of the  
14 full faith and credit of the State and the holders of bonds of  
15 the Authority may not require, except as provided in this Act,  
16 the application of State revenues or funds to the payment of  
17 bonds of the Authority.

18 (k) The State of Illinois pledges and agrees with the  
19 owners of the bonds that it will not limit or alter the rights  
20 and powers vested in the Authority by this Act so as to impair  
21 the terms of any contract made by the Authority with the owners  
22 or in any way impair the rights and remedies of the owners  
23 until the bonds, together with interest on them, and all costs  
24 and expenses in connection with any action or proceedings by or  
25 on behalf of the owners, are fully met and discharged. The  
26 Authority is authorized to include this pledge and agreement in

1 any contract with the owners of bonds issued under this  
2 Section.

3 (1) No person holding an elective office in this State,  
4 holding a seat in the General Assembly, or serving as a board  
5 member, trustee, officer, or employee of the Authority,  
6 including the spouse of that person, may receive a legal,  
7 banking, consulting, or other fee related to the issuance of  
8 bonds.

9 Section 1-85. Derivative products. With respect to all or  
10 part of any issue of its bonds, the Authority may enter into  
11 agreements or contracts with any necessary or appropriate  
12 person, which will have the benefit of providing to the  
13 Authority an interest rate basis, cash flow basis, or other  
14 basis different from that provided in the bonds for the payment  
15 of interest. Such agreements or contracts may include, without  
16 limitation, agreements or contracts commonly known as  
17 "interest rate swap agreements", "forward payment conversion  
18 agreements", "futures", "options", "puts", or "calls" and  
19 agreements or contracts providing for payments based on levels  
20 of or changes in interest rates, agreements or contracts to  
21 exchange cash flows or a series of payments, or to hedge  
22 payment, rate spread, or similar exposure.

23 Section 1-90. Legality for investment. The State of  
24 Illinois, all governmental entities, all public officers,

1 banks, bankers, trust companies, savings banks and  
2 institutions, building and loan associations, savings and loan  
3 associations, investment companies, and other persons carrying  
4 on a banking business, insurance companies, insurance  
5 associations, and other persons carrying on an insurance  
6 business, and all executors, administrators, guardians,  
7 trustees, and other fiduciaries may legally invest any sinking  
8 funds, moneys, or other funds belonging to them or within their  
9 control in any bonds issued under this Act. However, nothing in  
10 this Section shall be construed as relieving any person, firm,  
11 or corporation from any duty of exercising reasonable care in  
12 selecting securities for purchase or investment.

13 Section 1-95. Tax exemption. The Authority and all of its  
14 operations and property used for public purposes shall be  
15 exempt from all taxation of any kind imposed by the State of  
16 Illinois or any political subdivision, school district,  
17 municipal corporation, or unit of local government of the State  
18 of Illinois. However, nothing in this Act prohibits the  
19 imposition of any other taxes where such imposition is not  
20 prohibited by Section 21 of the Illinois Gambling Act.

21 Section 1-105. Budgets and reporting.

22 (a) The Board shall annually adopt a budget for each fiscal  
23 year. The budget may be modified from time to time in the same  
24 manner and upon the same vote as it may be adopted. The budget

1 shall include the Authority's available funds and estimated  
2 revenues and shall provide for payment of its obligations and  
3 estimated expenditures for the fiscal year, including, without  
4 limitation, expenditures for administration, operation,  
5 maintenance and repairs, debt service, and deposits into  
6 reserve and other funds and capital projects.

7 (b) The Board shall annually cause the finances of the  
8 Authority to be audited by a firm of certified public  
9 accountants and post the firm's audits of the Authority on the  
10 Authority's Internet website.

11 (c) The Board shall, for each fiscal year, prepare an  
12 annual report setting forth information concerning its  
13 activities in the fiscal year and the status of the development  
14 of the casino. The annual report shall include the audited  
15 financial statements of the Authority for the fiscal year, the  
16 budget for the succeeding fiscal year, and the current capital  
17 plan as of the date of the report. Copies of the annual report  
18 shall be made available to persons who request them and shall  
19 be submitted not later than 120 days after the end of the  
20 Authority's fiscal year to the Governor, the Mayor, the General  
21 Assembly, and the Commission on Government Forecasting and  
22 Accountability.

23 Section 1-110. Deposit and withdrawal of funds.

24 (a) All funds deposited by the Authority in any bank or  
25 savings and loan association shall be placed in the name of the

1 Authority and shall be withdrawn or paid out only by check or  
2 draft upon the bank or savings and loan association, signed by  
3 2 officers or employees designated by the Board.  
4 Notwithstanding any other provision of this Section, the Board  
5 may designate any of its members or any officer or employee of  
6 the Authority to authorize the wire transfer of funds deposited  
7 by the secretary-treasurer of funds in a bank or savings and  
8 loan association for the payment of payroll and employee  
9 benefits-related expenses.

10 No bank or savings and loan association shall receive  
11 public funds as permitted by this Section unless it has  
12 complied with the requirements established pursuant to Section  
13 6 of the Public Funds Investment Act.

14 (b) If any officer or employee whose signature appears upon  
15 any check or draft issued pursuant to this Act ceases (after  
16 attaching his signature) to hold his or her office before the  
17 delivery of such a check or draft to the payee, his or her  
18 signature shall nevertheless be valid and sufficient for all  
19 purposes with the same effect as if he or she had remained in  
20 office until delivery thereof.

21 Section 1-112. Contracts with the Authority or casino  
22 operator licensee; disclosure requirements.

23 (a) A bidder, respondent, offeror, or contractor must  
24 disclose the names of all officers and directors. A bidder,  
25 respondent, or offeror, or contractor for contracts with the

1 Authority or casino operator licensee shall disclose the  
2 identity of every owner, beneficiary, or person with beneficial  
3 interest of more than 1%, or shareholder entitled to receive  
4 more than 1% of the total distributable income of any  
5 corporation, having any interest in the contract in the bidder,  
6 respondent, offeror, or contractor. The disclosure shall be in  
7 writing and attested to by an owner, trustee, corporate  
8 official, or agent. If stock in a corporation is publicly  
9 traded and there is no readily known individual having greater  
10 than a 1% interest, then a statement to that affect attested to  
11 by an officer or agent of the corporation or shall fulfill the  
12 disclosure statement requirement of this Section. A bidder,  
13 respondent, offeror, or contractor shall notify the Authority  
14 of any changes in officers, directors, ownership, or  
15 individuals having a beneficial interest of more than 1%.

16 (b) A bidder, respondent, offeror, or contractor for  
17 contracts with an annual value of \$10,000 or for a period to  
18 exceed one year shall disclose all political contributions of  
19 the bidder, respondent, offeror, or contractor and any  
20 affiliated person or entity. Disclosure shall include at least  
21 the names and addresses of the contributors and the dollar  
22 amounts of any contributions to any political committee made  
23 within the previous 2 years. The disclosure must be submitted  
24 to the Gaming Board with a copy of the contract prior to Gaming  
25 Board approval of the contract. The Gaming Board shall refuse  
26 to approve any contract that does not include the required

1 disclosure.

2 (c) As used in this Section:

3 "Contribution" means contribution as defined in Section  
4 9-1.4 of the Election Code.

5 "Affiliated person" means (i) any person with any ownership  
6 interest or distributive share of the bidding, responding, or  
7 contracting entity in excess of 1%, (ii) executive employees of  
8 the bidding, responding, or contracting entity, and (iii) the  
9 spouse and minor children of any such persons.

10 "Affiliated entity" means (i) any parent or subsidiary of  
11 the bidding or contracting entity, (ii) any member of the same  
12 unitary business group, or (iii) any political committee for  
13 which the bidding, responding, or contracting entity is the  
14 sponsoring entity.

15 (d) The Gaming Board may direct the Authority or a casino  
16 operator licensee to void a contract if a violation of this  
17 Section occurs. The Authority may direct a casino operator  
18 licensee to void a contract if a violation of this Section  
19 occurs.

20 Section 1-115. Purchasing.

21 (a) All construction contracts and contracts for supplies,  
22 materials, equipment, and services, when the cost thereof to  
23 the Authority exceeds \$25,000, shall be let by a competitive  
24 selection process to the lowest responsible proposer, after  
25 advertising for proposals, except for the following:

1           (1) When repair parts, accessories, equipment, or  
2 services are required for equipment or services previously  
3 furnished or contracted for;

4           (2) Professional services;

5           (3) When services such as water, light, heat, power,  
6 telephone (other than long-distance service), or telegraph  
7 are required;

8           (4) When contracts for the use, purchase, delivery,  
9 movement, or installation of data processing equipment,  
10 software, or services and telecommunications equipment,  
11 software, and services are required;

12           (5) Casino management contracts, which shall be  
13 awarded as set forth in Section 1-45 of this Act.

14           (b) All contracts involving less than \$25,000 shall be let  
15 by competitive selection process whenever possible, and in any  
16 event in a manner calculated to ensure the best interests of  
17 the public.

18           (c) In determining the responsibility of any proposer, the  
19 Authority may take into account the proposer's (or an  
20 individual having a beneficial interest, directly or  
21 indirectly, of more than 1% in such proposing entity) past  
22 record of dealings with the Authority, the proposer's  
23 experience, adequacy of equipment, and ability to complete  
24 performance within the time set, and other factors besides  
25 financial responsibility. No such contract shall be awarded to  
26 any proposer other than the lowest proposer (in case of

1 purchase or expenditure) unless authorized or approved by a  
2 vote of at least 2 members of the Board and such action is  
3 accompanied by a written statement setting forth the reasons  
4 for not awarding the contract to the highest or lowest  
5 proposer, as the case may be. The statement shall be kept on  
6 file in the principal office of the Authority and open to  
7 public inspection.

8 (d) The Authority shall have the right to reject all  
9 proposals and to re-advertise for proposals. If after any such  
10 re-advertisement, no responsible and satisfactory proposals,  
11 within the terms of the re-advertisement, is received, the  
12 Authority may award such contract without competitive  
13 selection, provided that the Gaming Board must approve the  
14 contract prior to its execution. The contract must not be less  
15 advantageous to the Authority than any valid proposal received  
16 pursuant to advertisement.

17 (e) Advertisements for proposals and re-proposals shall be  
18 published at least once in a daily newspaper of general  
19 circulation published in the City at least 10 calendar days  
20 before the time for receiving proposals, and such  
21 advertisements shall also be posted on readily accessible  
22 bulletin boards in the principal office of the Authority. Such  
23 advertisements shall state the time and place for receiving and  
24 opening of proposals and, by reference to plans and  
25 specifications on file at the time of the first publication or  
26 in the advertisement itself, shall describe the character of

1 the proposed contract in sufficient detail to fully advise  
2 prospective proposers of their obligations and to ensure free  
3 and open competitive selection.

4 (f) All proposals in response to advertisements shall be  
5 sealed and shall be publicly opened by the Authority. All  
6 proposers shall be entitled to be present in person or by  
7 representatives. Cash or a certified or satisfactory cashier's  
8 check, as a deposit of good faith, in a reasonable amount to be  
9 fixed by the Authority before advertising for proposals, shall  
10 be required with the proposal. A bond for faithful performance  
11 of the contract with surety or sureties satisfactory to the  
12 Authority and adequate insurance may be required in reasonable  
13 amounts to be fixed by the Authority before advertising for  
14 proposals.

15 (g) The contract shall be awarded as promptly as possible  
16 after the opening of proposals. The proposal of the successful  
17 proposer, as well as the bids of the unsuccessful proposers,  
18 shall be placed on file and be open to public inspection. All  
19 proposals shall be void if any disclosure of the terms of any  
20 proposals in response to an advertisement is made or permitted  
21 to be made by the Authority before the time fixed for opening  
22 proposals.

23 (h) Notice of each and every contract that is offered,  
24 including renegotiated contracts and change orders, shall be  
25 published in an online bulletin. The online bulletin must  
26 include at least the date first offered, the date submission of

1 offers is due, the location that offers are to be submitted to,  
2 a brief purchase description, the method of source selection,  
3 information of how to obtain a comprehensive purchase  
4 description and any disclosure and contract forms, and  
5 encouragement to prospective vendors to hire qualified  
6 veterans, as defined by Section 45-67 of the Illinois  
7 Procurement Code, and Illinois residents discharged from any  
8 Illinois adult correctional center. Notice of each and every  
9 contract that is let or awarded, including renegotiated  
10 contracts and change orders, shall be published in the online  
11 bulletin and must include at least all of the information  
12 specified in this item (h), as well as the name of the  
13 successful responsible proposer or offeror, the contract  
14 price, and the number of unsuccessful responsive proposers and  
15 any other disclosure specified in this Section. This notice  
16 must be posted in the online electronic bulletin prior to  
17 execution of the contract.

18 ARTICLE 5.

19 Section 5-1. Short title. This Act may be cited as the  
20 Illinois Casino Development Authority Act.

21 Section 5-5. Definitions. As used in this Act:

22 "Casino" means one temporary land-based facility and a  
23 permanent land-based facility.

1 "Casino management contract" means a legally binding  
2 agreement between the State Authority and a State casino  
3 operator licensee to operate or manage a casino.

4 "Executive director" means the person appointed by the  
5 State Board to oversee the daily operations of the State  
6 Authority.

7 "Gaming Board" means the Illinois Gaming Board created by  
8 the Illinois Gambling Act.

9 "State" means the State of Illinois.

10 "State Authority" means the Illinois Casino Development  
11 Authority created by this Act.

12 "State Board" means the board appointed pursuant to this  
13 Act to govern and control the State Authority.

14 "State casino operator licensee" means any person or entity  
15 selected by the State Authority and approved and licensed by  
16 the Gaming Board to manage and operate a casino within the  
17 State of Illinois pursuant to a casino management contract.

18 Section 5-12. Creation of the State Authority. After the 5  
19 members of the Illinois Gaming Board are appointed and  
20 qualified pursuant to this amendatory Act of the 95th General  
21 Assembly, if the Gaming Board determines pursuant to subsection  
22 (b) of Section 7.6 of the Illinois Gambling Act that public  
23 ownership of an owners license is in the best interest of the  
24 State, there is hereby created a political subdivision, unit of  
25 State government with only the powers authorized by law, and

1 body politic, by the name and style of the Illinois Casino  
2 Development Authority.

3 Section 5-13. Duties of the State Authority. It shall be  
4 the duty of the State Authority, as a casino licensee under the  
5 Illinois Gambling Act, to promote, operate, and maintain a  
6 casino in the State. The State Authority shall construct,  
7 equip, and maintain grounds, buildings, and facilities for that  
8 purpose. The State Authority has the right to contract with a  
9 casino operator licensee and other third parties in order to  
10 fulfill its purpose. The State Authority is granted all rights  
11 and powers necessary to perform such duties.

12 Section 5-15. State Board.

13 (a) The governing and administrative powers of the State  
14 Authority shall be vested in a body known as the State Casino  
15 Development Board. The State Board shall consist of 3 members  
16 appointed by the Governor pursuant to nominations provided by  
17 the Nomination Panel created under the Illinois Gambling Act in  
18 the manner set forth in Section 5.3 of that Act. All appointees  
19 shall be subject to a background investigation and approval by  
20 the Gaming Board. One of these members shall be designated by  
21 the Governor to serve as chairperson. All of the members  
22 appointed by the Governor shall be residents of Illinois.

23 (b) State Board members shall be entitled to reimbursement  
24 of reasonable expenses incurred in the performance of their

1 official duties.

2 Section 5-20. Terms of appointments; resignation and  
3 removal.

4 (a) The Governor shall appoint one member of the State  
5 Board for an initial term expiring July 1 of the year following  
6 approval by the Gaming Board, one member for an initial term  
7 expiring July 1 three years following approval by the Gaming  
8 Board, and one member for an initial term expiring July 1 five  
9 years following approval by the Gaming Board.

10 (b) All successors shall hold office for a term of 5 years  
11 from the first day of July of the year in which they are  
12 appointed, except in the case of an appointment to fill a  
13 vacancy. Each member, including the chairperson, shall hold  
14 office until the expiration of his or her term and until his or  
15 her successor is appointed and qualified. Nothing shall  
16 preclude a member from serving consecutive terms. Any member  
17 may resign from office, to take effect when a successor has  
18 been appointed and qualified. A vacancy in office shall occur  
19 in the case of a member's death or indictment, conviction, or  
20 plea of guilty to a felony. A vacancy shall be filled for the  
21 unexpired term by the Governor with the approval of the Gaming  
22 Board.

23 (c) The Governor or the Gaming Board may remove any member  
24 of the State Board upon a finding of incompetence, neglect of  
25 duty, or misfeasance or malfeasance in office or for a

1 violation of this Act. The Gaming Board may remove any member  
2 of the State Board for any violation of the Illinois Gambling  
3 Act or the rules and regulations of the Gaming Board.

4 Section 5-25. Organization of State Board; meetings. After  
5 appointment by the Governor and approval of the Gaming Board,  
6 the State Board shall organize for the transaction of business.  
7 The State Board shall prescribe the time and place for  
8 meetings, the manner in which special meetings may be called,  
9 and the notice that must be given to members. All actions and  
10 meetings of the State Board shall be subject to the provisions  
11 of the Open Meetings Act. Two members of the State Board shall  
12 constitute a quorum. All substantive action of the State Board  
13 shall be by resolution with an affirmative vote of a majority  
14 of the members.

15 Section 5-30. Executive director; officers.

16 (a) The State Board shall appoint an executive director,  
17 subject to completion of a background investigation and  
18 approval by the Gaming Board, who shall be the chief executive  
19 officer of the State Authority. The State Board shall fix the  
20 compensation of the executive director. Subject to the general  
21 control of the State Board, the executive director shall be  
22 responsible for the management of the business, properties, and  
23 employees of the State Authority. The executive director shall  
24 direct the enforcement of all resolutions, rules, and

1 regulations of the State Board, and shall perform such other  
2 duties as may be prescribed from time to time by the State  
3 Board. All employees and independent contractors, consultants,  
4 engineers, architects, accountants, attorneys, financial  
5 experts, construction experts and personnel, superintendents,  
6 managers, and other personnel appointed or employed pursuant to  
7 this Act shall report to the executive director. In addition to  
8 any other duties set forth in this Act, the executive director  
9 shall do all of the following:

10 (1) Direct and supervise the administrative affairs  
11 and activities of the State Authority in accordance with  
12 its rules, regulations, and policies.

13 (2) Attend meetings of the State Board.

14 (3) Keep minutes of all proceedings of the State Board.

15 (4) Approve all accounts for salaries, per diem  
16 payments, and allowable expenses of the State Board and its  
17 employees and consultants.

18 (5) Report and make recommendations to the State Board  
19 concerning the terms and conditions of any casino  
20 management contract.

21 (6) Perform any other duty that the State Board  
22 requires for carrying out the provisions of this Act.

23 (7) Devote his or her full time to the duties of the  
24 office and not hold any other office or employment.

25 (b) The State Board may select a secretary-treasurer to  
26 hold office at the pleasure of the State Board. The State Board

1 shall fix the duties of such officer.

2 Section 5-31. General rights and powers of the State  
3 Authority. In addition to the duties and powers set forth in  
4 this Act, the State Authority shall have the following rights  
5 and powers:

6 (1) Adopt and alter an official seal.

7 (2) Establish and change its fiscal year.

8 (3) Sue and be sued, plead and be impleaded, all in its  
9 own name, and agree to binding arbitration of any dispute  
10 to which it is a party.

11 (4) Adopt, amend, and repeal by-laws, rules, and  
12 regulations consistent with the furtherance of the powers  
13 and duties provided for.

14 (5) Maintain its principal office within the State and  
15 such other offices as the State Board may designate.

16 (6) Select locations for a temporary and a permanent  
17 casino, subject to final approval by the Gaming Board.

18 (7) Conduct background investigations of potential  
19 State casino operator licenses, including its principals  
20 or shareholders, and State Authority staff. The State  
21 Authority may request the assistance of the Office of  
22 Gaming Enforcement.

23 (8) Employ, either as regular employees or independent  
24 contractors, consultants, engineers, architects,  
25 accountants, attorneys, financial experts, construction

1 experts and personnel, superintendents, managers and other  
2 professional personnel, and such other personnel as may be  
3 necessary in the judgment of the State Board, and fix their  
4 compensation.

5 (9) Own, acquire, construct, equip, lease, operate,  
6 and maintain grounds, buildings, and facilities to carry  
7 out its corporate purposes and duties.

8 (10) Enter into, revoke, and modify contracts, subject  
9 to final approval of the Gaming Board.

10 (11) Enter into a casino management contract subject to  
11 the final approval of the Gaming Board.

12 (12) Develop, or cause to be developed by a third  
13 party, a master plan for the design, planning, and  
14 development of a casino.

15 (13) Negotiate and enter into intergovernmental  
16 agreements with the State and its agencies and units of  
17 local government, in furtherance of the powers and duties  
18 of the State Board. However, the State Authority may not  
19 enter into an agreement with the State Police.

20 (14) Receive and disburse funds for its own corporate  
21 purposes or as otherwise specified in this Act.

22 (15) Borrow money from any source, public or private,  
23 for any corporate purpose, including, without limitation,  
24 working capital for its operations, reserve funds, or  
25 payment of interest, and to mortgage, pledge, or otherwise  
26 encumber the property or funds of the State Authority and

1 to contract with or engage the services of any person in  
2 connection with any financing, including financial  
3 institutions, issuers of letters of credit, or insurers and  
4 enter into reimbursement agreements with this person or  
5 entity which may be secured as if money were borrowed from  
6 the person or entity.

7 (16) Issue bonds as provided for under this Act.

8 (17) Receive and accept from any source, private or  
9 public, contributions, gifts, or grants of money or  
10 property to the State Authority.

11 (18) Provide for the insurance of any property,  
12 operations, officers, members, agents, or employees of the  
13 State Authority against any risk or hazard, to self-insure  
14 or participate in joint self-insurance pools or entities to  
15 insure against such risk or hazard, and to provide for the  
16 indemnification of its officers, members, employees,  
17 contractors, or agents against any and all risks.

18 (19) Exercise all the corporate powers granted  
19 Illinois corporations under the Business Corporation Act  
20 of 1983, except to the extent that powers are inconsistent  
21 with those of a body politic and corporate of the State.

22 (20) Do all things necessary or convenient to carry out  
23 the powers granted by this Act.

24 Section 5-32. Ethical conduct.

25 (a) State Board members and employees of the State

1 Authority must carry out their duties and responsibilities in  
2 such a manner as to promote and preserve public trust and  
3 confidence in the integrity and conduct of gaming.

4 (b) Except as may be required in the conduct of official  
5 duties, State Board members and employees of the State  
6 Authority shall not engage in gambling on any riverboat, in any  
7 casino, or in an electronic gaming facility licensed by the  
8 Illinois Gaming Board or engage in legalized gambling in any  
9 establishment identified by State Board action that, in the  
10 judgment of the State Board, could represent a potential for a  
11 conflict of interest.

12 (c) A State Board member or employee of the State Authority  
13 shall not use or attempt to use his or her official position to  
14 secure or attempt to secure any privilege, advantage, favor, or  
15 influence for himself or herself or others.

16 (d) State Board members and employees of the State  
17 Authority shall not hold or pursue employment, office,  
18 position, business, or occupation that may conflict with his or  
19 her official duties. Employees may engage in other gainful  
20 employment so long as that employment does not interfere or  
21 conflict with their duties. Such employment must be disclosed  
22 to the Executive Director and approved by the State Board.

23 (e) State Board members and employees of the State  
24 Authority may not engage in employment, communications, or any  
25 activity that may be deemed a conflict of interest. This  
26 prohibition shall extend to any act identified by State Board

1 action or Gaming Board action that, in the judgment of the  
2 either entity, could represent the potential for or the  
3 appearance of a conflict of interest.

4 (f) State Board members and employees of the State  
5 Authority may not have a financial interest, directly or  
6 indirectly, in his or her own name or in the name of any other  
7 person, partnership, association, trust, corporation, or other  
8 entity in any contract or subcontract for the performance of  
9 any work for the State Authority. This prohibition shall extend  
10 to the holding or acquisition of an interest in any entity  
11 identified by State Board action or Gaming Board action that,  
12 in the judgment of the either entity, could represent the  
13 potential for or the appearance of a financial interest. The  
14 holding or acquisition of an interest in such entities through  
15 an indirect means, such as through a mutual fund, shall not be  
16 prohibited, except that the Gaming Board may identify specific  
17 investments or funds that, in its judgment, are so influenced  
18 by gaming holdings as to represent the potential for or the  
19 appearance of a conflict of interest.

20 (g) State Board members and employees of the State  
21 Authority may not accept any gift, gratuity, service,  
22 compensation, travel, lodging, or thing of value, with the  
23 exception of unsolicited items of an incidental nature, from  
24 any person, corporation, or entity doing business with the  
25 State Authority.

26 (h) No State Board member or employee of the State

1 Authority may, within a period of 2 years immediately after  
2 termination of employment, knowingly accept employment or  
3 receive compensation or fees for services from a person or  
4 entity, or its parent or affiliate, that has engaged in  
5 business with the State Authority that resulted in contracts  
6 with an aggregate value of at least \$25,000 or if that State  
7 Board member or employee has made a decision that directly  
8 applied to the person or entity, or its parent or affiliate.

9 (i) A spouse, child, or parent of a State Board member or  
10 employee of the State Authority may not have a financial  
11 interest, directly or indirectly, in his or her own name or in  
12 the name of any other person, partnership, association, trust,  
13 corporation, or other entity in any contract or subcontract for  
14 the performance of any work for the State Authority. This  
15 prohibition shall extend to the holding or acquisition of an  
16 interest in any entity identified by State Board action or  
17 Gaming Board action that, in the judgment of the either entity,  
18 could represent the potential for or the appearance of a  
19 conflict of interest. The holding or acquisition of an interest  
20 in such entities through an indirect means, such as through a  
21 mutual fund, shall not be prohibited, except that the Gaming  
22 Board may identify specific investments or funds that, in its  
23 judgment, are so influenced by gaming holdings as to represent  
24 the potential for or the appearance of a conflict of interest.

25 (j) A spouse, child, or parent of a State Board member or  
26 employee of the State Authority may not accept any gift,

1 gratuity, service, compensation, travel, lodging, or thing of  
2 value, with the exception of unsolicited items of an incidental  
3 nature, from any person, corporation, or entity doing business  
4 with the State Authority.

5 (k) A spouse, child, or parent of a State Board member or  
6 employee of the State Authority may not, within a period of 2  
7 years immediately after termination of employment, knowingly  
8 accept employment or receive compensation or fees for services  
9 from a person or entity, or its parent or affiliate, that has  
10 engaged in business with the State Authority that resulted in  
11 contracts with an aggregate value of at least \$25,000 or if  
12 that State Board member or employee has made a decision that  
13 directly applied to the person or entity, or its parent or  
14 affiliate.

15 (l) No State Board member or employee of the State  
16 Authority may attempt, in any way, to influence any person or  
17 corporation doing business with the State Authority or any  
18 officer, agent, or employee thereof to hire or contract with  
19 any person or corporation for any compensated work.

20 (m) Any communication between a State, county, or municipal  
21 elected official and any applicant for or party to a State  
22 casino management contract with the State Authority, or an  
23 officer, director, or employee thereof, concerning any manner  
24 relating in any way to gaming or the State Authority shall be  
25 disclosed to the State Board and the Gaming Board. Such  
26 disclosure shall be in writing by the official within 30 days

1 of the communication and shall be filed with the State Board.  
2 Disclosure must consist of the date of the communication, the  
3 identity and job title of the person with whom the  
4 communication was made, a brief summary of the communication,  
5 the action requested or recommended, all responses made, the  
6 identity and job title of the person making the response, and  
7 any other pertinent information.

8 (n) Any State Board member or employee of the State  
9 Authority who violates any provision of this Section is guilty  
10 of a Class 4 felony.

11 Section 5-45. Casino management contracts.

12 (a) The State Board shall develop and administer a  
13 competitive sealed bidding process for the selection of a  
14 potential State casino operator licensee to develop or operate  
15 a casino within the State. The State Board shall issue one or  
16 more requests for proposals. The State Board may establish  
17 minimum financial and investment requirements to determine the  
18 eligibility of persons to respond to the State Board's requests  
19 for proposal, and may establish and consider such other  
20 criteria as it deems appropriate. The State Board may impose a  
21 fee upon persons who respond to requests for proposal, in order  
22 to reimburse the State Board for its costs in preparing and  
23 issuing the requests and reviewing the proposals.

24 (b) Within 5 days after the time limit for submitting bids  
25 and proposals has passed, the State Board shall make all bids

1 and proposals public. Thereafter, the State Board shall  
2 evaluate the responses to its requests for proposal and the  
3 ability of all persons or entities responding to its request  
4 for proposal to meet the requirements of this Act and to  
5 undertake and perform the obligations set forth in its requests  
6 for proposal.

7 (c) After reviewing proposals and subject to Gaming Board  
8 approval, the State Board shall enter into a casino management  
9 contract authorizing the development, construction, or  
10 operation of a casino. Validity of the casino management  
11 contract is contingent upon the issuance of a State casino  
12 operator license to the successful bidder. If the Gaming Board  
13 approves the contract and grants a State casino operator  
14 license, the State Board shall transmit a copy of the executed  
15 casino management contract to the Gaming Board.

16 (d) After the State Authority has been issued a casino  
17 license, the Gaming Board has issued a State casino operator  
18 license, and the Gaming Board has approved the location of a  
19 temporary facility, the State Authority may conduct gaming  
20 operations at a temporary facility for no longer than 12 months  
21 after gaming operations begin. The Gaming Board may, after  
22 holding a public hearing, grant an extension so long as a  
23 permanent facility is not operational and the State Authority  
24 is working in good faith to complete the permanent facility.  
25 The Gaming Board may grant additional extensions following a  
26 public hearing. Each extension may be for a period of no longer

1 than 6 months.

2 (e) All amounts received as an upfront fee by the State  
3 Authority pursuant to a bid for a casino management contract or  
4 an executed State casino management contract must be deposited  
5 into the Illinois Works Fund pursuant to Section 7.11 of the  
6 Illinois Gambling Act.

7 Section 5-50. Transfer of funds. All revenues received by  
8 the State Authority shall be deposited into the Illinois Casino  
9 Development Authority Fund, other than amounts required to be  
10 paid pursuant to the Illinois Gambling Act and amounts required  
11 to pay the operating expenses of the State Authority, to pay  
12 amounts due the State casino operator licensee pursuant to a  
13 casino management contract, to repay any borrowing of the State  
14 Authority, to pay debt service on any bonds issued, and to pay  
15 any expenses in connection with the issuance of such bonds or  
16 derivative products.

17 Section 5-60. Auditor General.

18 (a) Prior to the issuance of bonds under this Act, the  
19 State Authority shall submit to the Auditor General a  
20 certification that:

21 (1) it is legally authorized to issue bonds;

22 (2) scheduled annual payments of principal and  
23 interest on the bonds to be issued meet the requirements of  
24 Section 1-75 of this Act;

1 (3) no bond shall mature later than 30 years; and

2 (4) after payment of costs of issuance and necessary  
3 deposits to funds and accounts established with respect to  
4 debt service on the bonds, the net bond proceeds (exclusive  
5 of any proceeds to be used to refund outstanding bonds)  
6 will be used only for the purposes set forth in this Act.

7 The State Authority also shall submit to the Auditor  
8 General its projections on revenues to be generated and pledged  
9 to repayment of the bonds as scheduled and such other  
10 information as the Auditor General may reasonably request.

11 The Auditor General shall examine the certifications and  
12 information submitted and submit a report to the State  
13 Authority and the Gaming Board indicating whether the required  
14 certifications, projections, and other information have been  
15 submitted by the State Authority and that the assumptions  
16 underlying the projections are not unreasonable in the  
17 aggregate. The Auditor General shall submit the report no later  
18 than 60 days after receiving the information required to be  
19 submitted by the State Authority.

20 The State Authority shall not issue bonds until it receives  
21 the report from the Auditor General indicating the requirements  
22 of this Section have been met. The Auditor General's report  
23 shall not be in the nature of a post-audit or examination and  
24 shall not lead to the issuance of an opinion, as that term is  
25 defined in generally accepted government auditing standards.  
26 The Auditor General shall submit a bill to the State Authority

1 for costs associated with the examinations and report required  
2 under this Section. The State Authority shall reimburse in a  
3 timely manner.

4 (b) The Auditor General has the authority and is required  
5 to conduct a financial and management audit of the State  
6 Authority every 2 years. The Auditor General shall also conduct  
7 one post-construction and financing audit of the casino after  
8 it is completed and in operation. The Auditor General's audits  
9 must be posted on his or her Internet website. The Auditor  
10 General shall submit a bill to the State Authority for costs  
11 associated with the audits required under this Section. The  
12 State Authority shall reimburse in a timely manner.

13 Section 5-65. Acquisition of property; eminent domain  
14 proceedings. For the lawful purposes of this Act, the State  
15 Authority may acquire by eminent domain or by condemnation  
16 proceedings in the manner provided by the Eminent Domain Act,  
17 real or personal property or interests in real or personal  
18 property located in the State, and the State may convey to the  
19 State Authority property so acquired. The acquisition of  
20 property under this Section is declared to be for a public use.

21 Section 5-70. Local regulation. The casino facilities and  
22 operations therein shall be subject to all ordinances and  
23 regulations of the municipality in which the casino is located.  
24 The construction, development, and operation of the casino

1 shall comply with all ordinances, regulations, rules, and  
2 controls of the city in which the casino is located, including  
3 but not limited to those relating to zoning and planned  
4 development, building, fire prevention, and land use. However,  
5 the regulation of gaming operations is subject to the exclusive  
6 jurisdiction of the Gaming Board.

7 Section 5-75. Borrowing.

8 (a) The State Authority may borrow money and issue bonds as  
9 provided in this Section. Bonds of the State Authority may be  
10 issued to provide funds for land acquisition, site assembly and  
11 preparation, and the design and construction of the casino, as  
12 defined in the Illinois Gambling Act, all ancillary and related  
13 facilities comprising the casino complex, and all on-site and  
14 off-site infrastructure improvements required in connection  
15 with the development of the casino; to refund (at the time or  
16 in advance of any maturity or redemption) or redeem any bonds  
17 of the State Authority; to provide or increase a debt service  
18 reserve fund or other reserves with respect to any or all of  
19 its bonds; or to pay the legal, financial, administrative, bond  
20 insurance, credit enhancement, and other legal expenses of the  
21 authorization, issuance, or delivery of bonds. In this Act, the  
22 term "bonds" also includes notes of any kind, interim  
23 certificates, refunding bonds, or any other evidence of  
24 obligation for borrowed money issued under this Section. Bonds  
25 may be issued in one or more series and may be payable and

1 secured either on a parity with or separately from other bonds.

2 (b) The bonds of the State Authority shall be payable from  
3 one or more of the following sources: (i) the property or  
4 revenues of the State Authority; (ii) revenues derived from the  
5 casino; (iii) revenues derived from any State casino operator  
6 licensee; (iv) fees, bid proceeds, charges, lease payments,  
7 payments required pursuant to any casino management contract or  
8 other revenues payable to the State Authority, or any receipts  
9 of the State Authority; (v) payments by financial institutions,  
10 insurance companies, or others pursuant to letters or lines of  
11 credit, policies of insurance, or purchase agreements; (vi)  
12 investment earnings from funds or accounts maintained pursuant  
13 to a bond resolution or trust indenture; (vii) proceeds of  
14 refunding bonds; and (viii) any payments by any State casino  
15 operator licensee or others pursuant to any guaranty agreement.

16 (c) Bonds shall be authorized by a resolution of the State  
17 Board and may be secured by a trust indenture by and between  
18 the State Board and a corporate trustee or trustees, which may  
19 be any trust company or bank having the powers of a trust  
20 company within or without the State. Bonds shall meet the  
21 following requirements:

22 (1) Bonds shall bear interest at a rate not to exceed  
23 the maximum rate authorized by the Bond Authorization Act.

24 (2) Bonds issued pursuant to this Section must be  
25 issued with principal or mandatory redemption amounts in  
26 equal amounts, with the first maturity issued occurring

1 within the fiscal year in which the bonds are issued or  
2 within the next succeeding fiscal year, and with bonds  
3 maturing or subject to mandatory redemption each fiscal  
4 year thereafter up to 30 years.

5 (3) At least 25%, based on total principal amount, of  
6 all bonds issued pursuant to this Section shall be sold  
7 pursuant to notice of sale and public bid. No more than  
8 75%, based on total principal amount, of all bonds issued  
9 pursuant to this Section shall be sold by negotiated sale.

10 (4) Bonds shall be payable at a time or times, in the  
11 denominations and form, including book entry form, either  
12 coupon, registered, or both, and carry the registration and  
13 privileges as to exchange, transfer or conversion, and  
14 replacement of mutilated, lost, or destroyed bonds as the  
15 resolution or trust indenture may provide.

16 (5) Bonds shall be payable in lawful money of the  
17 United States at a designated place.

18 (6) Bonds shall be subject to the terms of purchase,  
19 payment, redemption, refunding, or refinancing that the  
20 resolution or trust indenture provides.

21 (7) Bonds shall be executed by the manual or facsimile  
22 signatures of the officers of the State Authority  
23 designated by the State Board, which signatures shall be  
24 valid at delivery even for one who has ceased to hold  
25 office.

26 (8) Bonds shall be sold at public or private sale in

1           the manner and upon the terms determined by the State  
2           Authority.

3           (d) The State Authority shall adopt a procurement program  
4           with respect to contracts relating to underwriters, bond  
5           counsel, financial advisors, and accountants. The program  
6           shall include goals for the payment of not less than 30% of the  
7           total dollar value of the fees from these contracts to minority  
8           owned businesses and female owned businesses as defined in the  
9           Business Enterprise for Minorities, Females, and Persons with  
10          Disabilities Act. The State Authority shall conduct outreach to  
11          minority owned businesses and female owned businesses.  
12          Outreach shall include, but is not limited to, advertisements  
13          in periodicals and newspapers, mailings, and other appropriate  
14          media. The State Authority shall submit to the General Assembly  
15          a comprehensive report that shall include, at a minimum, the  
16          details of the procurement plan, outreach efforts, and the  
17          results of the efforts to achieve goals for the payment of  
18          fees.

19          (e) Subject to the Illinois Gambling Act and rules of the  
20          Gaming Board regarding pledging of interests in holders of  
21          owners licenses, any resolution or trust indenture may contain  
22          provisions that may be a part of the contract with the holders  
23          of the bonds as to the following:

24                 (1) Pledging, assigning, or directing the use,  
25                 investment, or disposition of revenues of the State  
26                 Authority or proceeds or benefits of any contract,

1 including without limitation, any rights in any casino  
2 management contract.

3 (2) The setting aside of loan funding deposits, debt  
4 service reserves, replacement or operating reserves, cost  
5 of issuance accounts and sinking funds, and the regulation,  
6 investment, and disposition thereof.

7 (3) Limitations on the purposes to which or the  
8 investments in which the proceeds of sale of any issue of  
9 bonds or the State Authority's revenues and receipts may be  
10 applied or made.

11 (4) Limitations on the issue of additional bonds, the  
12 terms upon which additional bonds may be issued and  
13 secured, the terms upon which additional bonds may rank on  
14 a parity with, or be subordinate or superior to, other  
15 bonds.

16 (5) The refunding, advance refunding, or refinancing  
17 of outstanding bonds.

18 (6) The procedure, if any, by which the terms of any  
19 contract with bondholders may be altered or amended and the  
20 amount of bonds and holders of which must consent thereto  
21 and the manner in which consent shall be given.

22 (7) Defining the acts or omissions which shall  
23 constitute a default in the duties of the State Authority  
24 to holders of bonds and providing the rights or remedies of  
25 such holders in the event of a default, which may include  
26 provisions restricting individual rights of action by

1 bondholders.

2 (8) Providing for guarantees, pledges of property,  
3 letters of credit, or other security, or insurance for the  
4 benefit of bondholders.

5 (f) No member of the State Board, nor any person executing  
6 the bonds, shall be liable personally on the bonds or subject  
7 to any personal liability by reason of the issuance of the  
8 bonds.

9 (g) The State Authority may issue and secure bonds in  
10 accordance with the provisions of the Local Government Credit  
11 Enhancement Act.

12 (h) A pledge by the State Authority of revenues and  
13 receipts as security for an issue of bonds or for the  
14 performance of its obligations under any casino management  
15 contract shall be valid and binding from the time when the  
16 pledge is made. The revenues and receipts pledged shall  
17 immediately be subject to the lien of the pledge without any  
18 physical delivery or further act, and the lien of any pledge  
19 shall be valid and binding against any person having any claim  
20 of any kind in tort, contract, or otherwise against the State  
21 Authority, irrespective of whether the person has notice. No  
22 resolution, trust indenture, management agreement or financing  
23 statement, continuation statement, or other instrument adopted  
24 or entered into by the State Authority need be filed or  
25 recorded in any public record other than the records of the  
26 State Authority in order to perfect the lien against third

1 persons, regardless of any contrary provision of law.

2 (i) Bonds that are being paid or retired by issuance, sale,  
3 or delivery of bonds, and bonds for which sufficient funds have  
4 been deposited with the paying agent or trustee to provide for  
5 payment of principal and interest thereon, and any redemption  
6 premium, as provided in the authorizing resolution, shall not  
7 be considered outstanding for the purposes of this subsection.

8 (j) The State of Illinois pledges and agrees with the  
9 owners of the bonds that it will not limit or alter the rights  
10 and powers vested in the State Authority by this Act so as to  
11 impair the terms of any contract made by the State Authority  
12 with the owners or in any way impair the rights and remedies of  
13 the owners until the bonds, together with interest on them, and  
14 all costs and expenses in connection with any action or  
15 proceedings by or on behalf of the owners, are fully met and  
16 discharged. The State Authority is authorized to include this  
17 pledge and agreement in any contract with the owners of bonds  
18 issued under this Section.

19 (k) No person holding an elective office in this State,  
20 holding a seat in the General Assembly, or serving as a board  
21 member, trustee, officer, or employee of the State Authority,  
22 including the spouse of that person, may receive a legal,  
23 banking, consulting, or other fee related to the issuance of  
24 bonds.

25 Section 5-85. Derivative products. With respect to all or

1 part of any issue of its bonds, the State Authority may enter  
2 into agreements or contracts with any necessary or appropriate  
3 person, which will have the benefit of providing to the State  
4 Authority an interest rate basis, cash flow basis, or other  
5 basis different from that provided in the bonds for the payment  
6 of interest. Such agreements or contracts may include, without  
7 limitation, agreements or contracts commonly known as  
8 "interest rate swap agreements", "forward payment conversion  
9 agreements", "futures", "options", "puts", or "calls" and  
10 agreements or contracts providing for payments based on levels  
11 of or changes in interest rates, agreements or contracts to  
12 exchange cash flows or a series of payments, or to hedge  
13 payment, rate spread, or similar exposure.

14 Section 5-90. Legality for investment. The State of  
15 Illinois, all governmental entities, all public officers,  
16 banks, bankers, trust companies, savings banks and  
17 institutions, building and loan associations, savings and loan  
18 associations, investment companies, and other persons carrying  
19 on a banking business, insurance companies, insurance  
20 associations, and other persons carrying on an insurance  
21 business, and all executors, administrators, guardians,  
22 trustees, and other fiduciaries may legally invest any sinking  
23 funds, moneys, or other funds belonging to them or within their  
24 control in any bonds issued under this Act. However, nothing in  
25 this Section shall be construed as relieving any person, firm,

1 or corporation from any duty of exercising reasonable care in  
2 selecting securities for purchase or investment.

3 Section 5-95. Tax exemption. The State Authority and all of  
4 its operations and property used for public purposes shall be  
5 exempt from all taxation of any kind imposed by the State of  
6 Illinois or any political subdivision, school district,  
7 municipal corporation, or unit of local government of the State  
8 of Illinois. However, nothing in this Act prohibits the  
9 imposition of any other taxes where such imposition is not  
10 prohibited by Section 21 of the Illinois Gambling Act.

11 Section 5-105. Budgets and reporting.

12 (a) The State Board shall annually adopt a budget for each  
13 fiscal year. The budget may be modified from time to time in  
14 the same manner and upon the same vote as it may be adopted.  
15 The budget shall include the State Authority's available funds  
16 and estimated revenues and shall provide for payment of its  
17 obligations and estimated expenditures for the fiscal year,  
18 including, without limitation, expenditures for  
19 administration, operation, maintenance and repairs, debt  
20 service, and deposits into reserve and other funds and capital  
21 projects.

22 (b) The State Board shall annually cause the finances of  
23 the State Authority to be audited by a firm of certified public  
24 accountants and post the firm's audits of the State Authority

1 on the State Authority's Internet website.

2 (c) The State Board shall, for each fiscal year, prepare an  
3 annual report setting forth information concerning its  
4 activities in the fiscal year and the status of the development  
5 of the casino. The annual report shall include the audited  
6 financial statements of the State Authority for the fiscal  
7 year, the budget for the succeeding fiscal year, and the  
8 current capital plan as of the date of the report. Copies of  
9 the annual report shall be made available to persons who  
10 request them and shall be submitted not later than 120 days  
11 after the end of the State Authority's fiscal year to the  
12 Governor, the General Assembly, and the Commission on  
13 Government Forecasting and Accountability.

14 Section 5-110. Deposit and withdrawal of funds.

15 (a) All funds deposited by the State Authority in any bank  
16 or savings and loan association shall be placed in the name of  
17 the State Authority and shall be withdrawn or paid out only by  
18 check or draft upon the bank or savings and loan association,  
19 signed by 2 officers or employees designated by the State  
20 Board. Notwithstanding any other provision of this Section, the  
21 State Board may designate any of its members or any officer or  
22 employee of the State Authority to authorize the wire transfer  
23 of funds deposited by the secretary-treasurer of funds in a  
24 bank or savings and loan association for the payment of payroll  
25 and employee benefits-related expenses.

1           No bank or savings and loan association shall receive  
2 public funds as permitted by this Section unless it has  
3 complied with the requirements established pursuant to Section  
4 6 of the Public Funds Investment Act.

5           (b) If any officer or employee whose signature appears upon  
6 any check or draft issued pursuant to this Act ceases (after  
7 attaching his signature) to hold his or her office before the  
8 delivery of such a check or draft to the payee, his or her  
9 signature shall nevertheless be valid and sufficient for all  
10 purposes with the same effect as if he or she had remained in  
11 office until delivery thereof.

12           Section 5-112. Contracts with the State Authority or State  
13 casino operator licensee; disclosure requirements.

14           (a) A bidder, respondent, offeror, or contractor must  
15 disclose the names of all officers and directors. A bidder,  
16 respondent, or offeror, or contractor for contracts with the  
17 State Authority or State casino operator licensee shall  
18 disclose the identity of every owner, beneficiary, or person  
19 with beneficial interest of more than 1%, or shareholder  
20 entitled to receive more than 1% of the total distributable  
21 income of any corporation, having any interest in the contract  
22 in the bidder, respondent, offeror, or contractor. The  
23 disclosure shall be in writing and attested to by an owner,  
24 trustee, corporate official, or agent. If stock in a  
25 corporation is publicly traded and there is no readily known

1 individual having greater than a 1% interest, then a statement  
2 to that effect attested to by an officer or agent of the  
3 corporation or shall fulfill the disclosure statement  
4 requirement of this Section. A bidder, respondent, offeror, or  
5 contractor shall notify the State Authority of any changes in  
6 officers, directors, ownership, or individuals having a  
7 beneficial interest of more than 1%.

8 (b) A bidder, respondent, offeror, or contractor for  
9 contracts with an annual value of \$10,000 or for a period to  
10 exceed one year shall disclose all political contributions of  
11 the bidder, respondent, offeror, or contractor and any  
12 affiliated person or entity. Disclosure shall include at least  
13 the names and addresses of the contributors and the dollar  
14 amounts of any contributions to any political committee made  
15 within the previous 2 years. The disclosure must be submitted  
16 to the Gaming Board with a copy of the contract prior to Gaming  
17 Board approval of the contract. The Gaming Board shall refuse  
18 to approve any contract that does not include the required  
19 disclosure.

20 (c) As used in this Section:

21 "Contribution" means contribution as defined in Section  
22 9-1.4 of the Election Code.

23 "Affiliated person" means (i) any person with any ownership  
24 interest or distributive share of the bidding, responding, or  
25 contracting entity in excess of 1%, (ii) executive employees of  
26 the bidding, responding, or contracting entity, and (iii) the

1 spouse and minor children of any such persons.

2 "Affiliated entity" means (i) any parent or subsidiary of  
3 the bidding or contracting entity, (ii) any member of the same  
4 unitary business group, or (iii) any political committee for  
5 which the bidding, responding, or contracting entity is the  
6 sponsoring entity.

7 (d) The Gaming Board may direct the State Authority or a  
8 State casino operator licensee to void a contract if a  
9 violation of this Section occurs. The State Authority may  
10 direct a State casino operator licensee to void a contract if a  
11 violation of this Section occurs.

12 Section 5-115. Purchasing.

13 (a) All construction contracts and contracts for supplies,  
14 materials, equipment, and services, when the cost thereof to  
15 the State Authority exceeds \$25,000, shall be let by a  
16 competitive selection process to the lowest responsible  
17 proposer, after advertising for proposals, except for the  
18 following:

19 (1) When repair parts, accessories, equipment, or  
20 services are required for equipment or services previously  
21 furnished or contracted for;

22 (2) Professional services;

23 (3) When services such as water, light, heat, power,  
24 telephone (other than long-distance service), or telegraph  
25 are required;

1           (4) When contracts for the use, purchase, delivery,  
2           movement, or installation of data processing equipment,  
3           software, or services and telecommunications equipment,  
4           software, and services are required;

5           (5) Casino management contracts, which shall be  
6           awarded as set forth in Section 1-45 of this Act.

7           (b) All contracts involving less than \$25,000 shall be let  
8           by competitive selection process whenever possible, and in any  
9           event in a manner calculated to ensure the best interests of  
10          the public.

11          (c) In determining the responsibility of any proposer, the  
12          State Authority may take into account the proposer's (or an  
13          individual having a beneficial interest, directly or  
14          indirectly, of more than 1% in such proposing entity) past  
15          record of dealings with the State Authority, the proposer's  
16          experience, adequacy of equipment, and ability to complete  
17          performance within the time set, and other factors besides  
18          financial responsibility. No such contract shall be awarded to  
19          any proposer other than the lowest proposer (in case of  
20          purchase or expenditure) unless authorized or approved by a  
21          vote of at least 2 members of the State Board and such action  
22          is accompanied by a written statement setting forth the reasons  
23          for not awarding the contract to the highest or lowest  
24          proposer, as the case may be. The statement shall be kept on  
25          file in the principal office of the State Authority and open to  
26          public inspection.

1           (d) The State Authority shall have the right to reject all  
2 proposals and to re-advertise for proposals. If after any such  
3 re-advertisement, no responsible and satisfactory proposals,  
4 within the terms of the re-advertisement, is received, the  
5 State Authority may award such contract without competitive  
6 selection, provided that the Gaming Board must approve the  
7 contract prior to its execution. The contract must not be less  
8 advantageous to the State Authority than any valid proposal  
9 received pursuant to advertisement.

10           (e) Advertisements for proposals and re-proposals shall be  
11 published at least once in a daily newspaper of general  
12 circulation published in the county in which the principal  
13 office of the State Authority is located at least 10 calendar  
14 days before the time for receiving proposals, and such  
15 advertisements shall also be posted on readily accessible  
16 bulletin boards in the principal office of the State Authority.  
17 Such advertisements shall state the time and place for  
18 receiving and opening of proposals and, by reference to plans  
19 and specifications on file at the time of the first publication  
20 or in the advertisement itself, shall describe the character of  
21 the proposed contract in sufficient detail to fully advise  
22 prospective proposers of their obligations and to ensure free  
23 and open competitive selection.

24           (f) All proposals in response to advertisements shall be  
25 sealed and shall be publicly opened by the State Authority. All  
26 proposers shall be entitled to be present in person or by

1 representatives. Cash or a certified or satisfactory cashier's  
2 check, as a deposit of good faith, in a reasonable amount to be  
3 fixed by the State Authority before advertising for proposals,  
4 shall be required with the proposal. A bond for faithful  
5 performance of the contract with surety or sureties  
6 satisfactory to the State Authority and adequate insurance may  
7 be required in reasonable amounts to be fixed by the State  
8 Authority before advertising for proposals.

9 (g) The contract shall be awarded as promptly as possible  
10 after the opening of proposals. The proposal of the successful  
11 proposer, as well as the bids of the unsuccessful proposers,  
12 shall be placed on file and be open to public inspection. All  
13 proposals shall be void if any disclosure of the terms of any  
14 proposals in response to an advertisement is made or permitted  
15 to be made by the State Authority before the time fixed for  
16 opening proposals.

17 (h) Notice of each and every contract that is offered,  
18 including renegotiated contracts and change orders, shall be  
19 published in an online bulletin. The online bulletin must  
20 include at least the date first offered, the date submission of  
21 offers is due, the location that offers are to be submitted to,  
22 a brief purchase description, the method of source selection,  
23 information of how to obtain a comprehensive purchase  
24 description and any disclosure and contract forms, and  
25 encouragement to prospective vendors to hire qualified  
26 veterans, as defined by Section 45-67 of the Illinois

1 Procurement Code, and Illinois residents discharged from any  
2 Illinois adult correctional center. Notice of each and every  
3 contract that is let or awarded, including renegotiated  
4 contracts and change orders, shall be published in the online  
5 bulletin and must include at least all of the information  
6 specified in this item (h), as well as the name of the  
7 successful responsible proposer or offeror, the contract  
8 price, and the number of unsuccessful responsive proposers and  
9 any other disclosure specified in this Section. This notice  
10 must be posted in the online electronic bulletin prior to  
11 execution of the contract.

12 ARTICLE 90.

13 Section 90-1. The State Officials and Employees Ethics Act  
14 is amended by changing Sections 5-50, 20-10, and 20-15 as  
15 follows:

16 (5 ILCS 430/5-50)

17 Sec. 5-50. Ex parte communications; special government  
18 agents.

19 (a) This Section applies to ex parte communications made to  
20 any agency listed in subsection (e).

21 (b) "Ex parte communication" means any written or oral  
22 communication by any person that imparts or requests material  
23 information or makes a material argument regarding potential

1 action concerning regulatory, quasi-adjudicatory, investment,  
2 or licensing matters pending before or under consideration by  
3 the agency. "Ex parte communication" does not include the  
4 following: (i) statements by a person publicly made in a public  
5 forum; (ii) statements regarding matters of procedure and  
6 practice, such as format, the number of copies required, the  
7 manner of filing, and the status of a matter; and (iii)  
8 statements made by a State employee of the agency to the agency  
9 head or other employees of that agency.

10 (b-5) An ex parte communication received by an agency,  
11 agency head, or other agency employee from an interested party  
12 or his or her official representative or attorney shall  
13 promptly be memorialized and made a part of the record.

14 (c) An ex parte communication received by any agency,  
15 agency head, or other agency employee, other than an ex parte  
16 communication described in subsection (b-5), shall immediately  
17 be reported to that agency's ethics officer by the recipient of  
18 the communication and by any other employee of that agency who  
19 responds to the communication. The ethics officer shall require  
20 that the ex parte communication be promptly made a part of the  
21 record. The ethics officer shall promptly file the ex parte  
22 communication with the Executive Ethics Commission, including  
23 all written communications, all written responses to the  
24 communications, and a memorandum prepared by the ethics officer  
25 stating the nature and substance of all oral communications,  
26 the identity and job title of the person to whom each

1 communication was made, all responses made, the identity and  
2 job title of the person making each response, the identity of  
3 each person from whom the written or oral ex parte  
4 communication was received, the individual or entity  
5 represented by that person, any action the person requested or  
6 recommended, and any other pertinent information. The  
7 disclosure shall also contain the date of any ex parte  
8 communication.

9 (d) "Interested party" means a person or entity whose  
10 rights, privileges, or interests are the subject of or are  
11 directly affected by a regulatory, quasi-adjudicatory,  
12 investment, or licensing matter.

13 (e) This Section applies to the following agencies:

14 Executive Ethics Commission  
15 Illinois Commerce Commission  
16 Educational Labor Relations Board  
17 State Board of Elections  
18 ~~Illinois Gaming Board~~  
19 Health Facilities Planning Board  
20 Illinois Workers' Compensation Commission  
21 Illinois Labor Relations Board  
22 Illinois Liquor Control Commission  
23 Pollution Control Board  
24 Property Tax Appeal Board  
25 ~~Illinois Racing Board~~  
26 Illinois Purchased Care Review Board

1 Department of State Police Merit Board  
2 Motor Vehicle Review Board  
3 Prisoner Review Board  
4 Civil Service Commission  
5 Personnel Review Board for the Treasurer  
6 Merit Commission for the Secretary of State  
7 Merit Commission for the Office of the Comptroller  
8 Court of Claims  
9 Board of Review of the Department of Employment Security  
10 Department of Insurance  
11 Department of Professional Regulation and licensing boards  
12 under the Department  
13 Department of Public Health and licensing boards under the  
14 Department  
15 Office of Banks and Real Estate and licensing boards under  
16 the Office  
17 State Employees Retirement System Board of Trustees  
18 Judges Retirement System Board of Trustees  
19 General Assembly Retirement System Board of Trustees  
20 Illinois Board of Investment  
21 State Universities Retirement System Board of Trustees  
22 Teachers Retirement System Officers Board of Trustees  
23 (f) Any person who fails to (i) report an ex parte  
24 communication to an ethics officer, (ii) make information part  
25 of the record, or (iii) make a filing with the Executive Ethics  
26 Commission as required by this Section or as required by

1 Section 5-165 of the Illinois Administrative Procedure Act  
2 violates this Act.

3 (Source: P.A. 95-331, eff. 8-21-07.)

4 (5 ILCS 430/20-10)

5 Sec. 20-10. Offices of Executive Inspectors General.

6 (a) ~~Six Five~~ independent Offices of the Executive Inspector  
7 General are created, one each for the Governor, the Attorney  
8 General, the Secretary of State, the Comptroller, and the  
9 Treasurer and one for gaming activities. Each Office shall be  
10 under the direction and supervision of an Executive Inspector  
11 General and shall be a fully independent office with separate  
12 appropriations.

13 (b) The Governor, Attorney General, Secretary of State,  
14 Comptroller, and Treasurer shall each appoint an Executive  
15 Inspector General, and the Director of Gaming Enforcement shall  
16 appoint an Executive Inspector General for gaming activities.  
17 Each appointment must be made without regard to political  
18 affiliation and solely on the basis of integrity and  
19 demonstrated ability. Appointments shall be made by and with  
20 the advice and consent of the Senate by three-fifths of the  
21 elected members concurring by record vote. Any nomination not  
22 acted upon by the Senate within 60 session days of the receipt  
23 thereof shall be deemed to have received the advice and consent  
24 of the Senate. If, during a recess of the Senate, there is a  
25 vacancy in an office of Executive Inspector General, the

1 appointing authority shall make a temporary appointment until  
2 the next meeting of the Senate when the appointing authority  
3 shall make a nomination to fill that office. No person rejected  
4 for an office of Executive Inspector General shall, except by  
5 the Senate's request, be nominated again for that office at the  
6 same session of the Senate or be appointed to that office  
7 during a recess of that Senate.

8 Nothing in this Article precludes the appointment by the  
9 Governor, Attorney General, Secretary of State, Comptroller,  
10 or Treasurer of any other inspector general required or  
11 permitted by law. The Governor, Attorney General, Secretary of  
12 State, Comptroller, and Treasurer each may appoint an existing  
13 inspector general as the Executive Inspector General required  
14 by this Article, provided that such an inspector general is not  
15 prohibited by law, rule, jurisdiction, qualification, or  
16 interest from serving as the Executive Inspector General  
17 required by this Article. An appointing authority may not  
18 appoint a relative as an Executive Inspector General.

19 Each Executive Inspector General shall have the following  
20 qualifications:

21 (1) has not been convicted of any felony under the laws  
22 of this State, another State, or the United States;

23 (2) has earned a baccalaureate degree from an  
24 institution of higher education; and

25 (3) has 5 or more years of cumulative service (A) with  
26 a federal, State, or local law enforcement agency, at least

1           2 years of which have been in a progressive investigatory  
2           capacity; (B) as a federal, State, or local prosecutor; (C)  
3           as a senior manager or executive of a federal, State, or  
4           local agency; (D) as a member, an officer, or a State or  
5           federal judge; or (E) representing any combination of (A)  
6           through (D).

7           The term of each initial Executive Inspector General shall  
8           commence upon qualification and shall run through June 30,  
9           2008. The initial appointments shall be made within 60 days  
10          after the effective date of this Act.

11          After the initial term, each Executive Inspector General  
12          shall serve for 5-year terms commencing on July 1 of the year  
13          of appointment and running through June 30 of the fifth  
14          following year. An Executive Inspector General may be  
15          reappointed to one or more subsequent terms.

16          A vacancy occurring other than at the end of a term shall  
17          be filled by the appointing authority only for the balance of  
18          the term of the Executive Inspector General whose office is  
19          vacant.

20          Terms shall run regardless of whether the position is  
21          filled.

22          (c) The Executive Inspector General appointed by the  
23          Attorney General shall have jurisdiction over the Attorney  
24          General and all officers and employees of, and vendors and  
25          others doing business with, State agencies within the  
26          jurisdiction of the Attorney General. The Executive Inspector

1 General appointed by the Secretary of State shall have  
2 jurisdiction over the Secretary of State and all officers and  
3 employees of, and vendors and others doing business with, State  
4 agencies within the jurisdiction of the Secretary of State. The  
5 Executive Inspector General appointed by the Comptroller shall  
6 have jurisdiction over the Comptroller and all officers and  
7 employees of, and vendors and others doing business with, State  
8 agencies within the jurisdiction of the Comptroller. The  
9 Executive Inspector General appointed by the Treasurer shall  
10 have jurisdiction over the Treasurer and all officers and  
11 employees of, and vendors and others doing business with, State  
12 agencies within the jurisdiction of the Treasurer. The  
13 Executive Inspector General appointed by the Governor shall  
14 have jurisdiction over the Governor, the Lieutenant Governor,  
15 and all officers and employees of, and vendors and others doing  
16 business with, executive branch State agencies under the  
17 jurisdiction of the Executive Ethics Commission and not within  
18 the jurisdiction of the Attorney General, the Secretary of  
19 State, the Comptroller, ~~or~~ the Treasurer, or the Executive  
20 Inspector General for gaming activities. The Executive  
21 Inspector General for gaming activities appointed by the  
22 Director of Gaming Enforcement has jurisdiction over the  
23 Illinois Gaming Board, Illinois Racing Board, the Office of  
24 Gaming Enforcement, and all officers and employees of those  
25 agencies.

26 The jurisdiction of each Executive Inspector General is to

1 investigate allegations of fraud, waste, abuse, mismanagement,  
2 misconduct, nonfeasance, misfeasance, malfeasance, or  
3 violations of this Act or violations of other related laws and  
4 rules.

5 (d) The minimum compensation for each Executive Inspector  
6 General shall be determined by the Executive Ethics Commission.  
7 The actual compensation for each Executive Inspector General  
8 shall be determined by the appointing ~~executive branch~~  
9 ~~constitutional~~ officer and must be at or above the minimum  
10 compensation level set by the Executive Ethics Commission.  
11 Subject to Section 20-45 of this Act, each Executive Inspector  
12 General has full authority to organize his or her Office of the  
13 Executive Inspector General, including the employment and  
14 determination of the compensation of staff, such as deputies,  
15 assistants, and other employees, as appropriations permit. A  
16 separate appropriation shall be made for each Office of  
17 Executive Inspector General.

18 (e) No Executive Inspector General or employee of the  
19 Office of the Executive Inspector General may, during his or  
20 her term of appointment or employment:

21 (1) become a candidate for any elective office;

22 (2) hold any other elected or appointed public office  
23 except for appointments on governmental advisory boards or  
24 study commissions or as otherwise expressly authorized by  
25 law;

26 (3) be actively involved in the affairs of any

1 political party or political organization; or

2 (4) actively participate in any campaign for any  
3 elective office.

4 In this subsection an appointed public office means a  
5 position authorized by law that is filled by an appointing  
6 authority as provided by law and does not include employment by  
7 hiring in the ordinary course of business.

8 (e-1) No Executive Inspector General or employee of the  
9 Office of the Executive Inspector General may, for one year  
10 after the termination of his or her appointment or employment:

11 (1) become a candidate for any elective office;

12 (2) hold any elected public office; or

13 (3) hold any appointed State, county, or local judicial  
14 office.

15 (e-2) The requirements of item (3) of subsection (e-1) may  
16 be waived by the Executive Ethics Commission.

17 (f) An Executive Inspector General may be removed only for  
18 cause and may be removed only by the appointing ~~constitutional~~  
19 officer. At the time of the removal, the appointing  
20 ~~constitutional~~ officer must report to the Executive Ethics  
21 Commission the justification for the removal.

22 (Source: P.A. 93-617, eff. 12-9-03.)

23 (5 ILCS 430/20-15)

24 Sec. 20-15. Duties of the Executive Ethics Commission. In  
25 addition to duties otherwise assigned by law, the Executive

1 Ethics Commission shall have the following duties:

2 (1) To promulgate rules governing the performance of  
3 its duties and the exercise of its powers and governing the  
4 investigations of the Executive Inspectors General. It is  
5 declared to be in the public interest, safety, and welfare  
6 that the Commission adopt emergency rules under the  
7 Illinois Administrative Procedure Act to initially perform  
8 its duties under this subsection.

9 (2) To conduct administrative hearings and rule on  
10 matters brought before the Commission only upon the receipt  
11 of pleadings filed by an Executive Inspector General and  
12 not upon its own prerogative, but may appoint special  
13 Executive Inspectors General as provided in Section 20-21.  
14 Any other allegations of misconduct received by the  
15 Commission from a person other than an Executive Inspector  
16 General shall be referred to the Office of the appropriate  
17 Executive Inspector General.

18 (3) To prepare and publish manuals and guides and,  
19 working with the Office of the Attorney General, oversee  
20 training of employees under its jurisdiction that explains  
21 their duties.

22 (4) To prepare public information materials to  
23 facilitate compliance, implementation, and enforcement of  
24 this Act.

25 (5) To submit reports as required by this Act.

26 (6) To the extent authorized by this Act, to make

1           rulings, issue recommendations, and impose administrative  
2           fines, if appropriate, in connection with the  
3           implementation and interpretation of this Act. The powers  
4           and duties of the Commission are limited to matters clearly  
5           within the purview of this Act.

6           (7) To issue subpoenas with respect to matters pending  
7           before the Commission, subject to the provisions of this  
8           Article and in the discretion of the Commission, to compel  
9           the attendance of witnesses for purposes of testimony and  
10          the production of documents and other items for inspection  
11          and copying.

12          (8) To appoint special Executive Inspectors General as  
13          provided in Section 20-21.

14          (9) Pursuant to Section 5.3 of the Illinois Gambling  
15          Act, select members as required to review applications and  
16          appoint members to the Nomination Panel established under  
17          the Illinois Gambling Act.

18          (Source: P.A. 93-617, eff. 12-9-03.)

19          Section 90-2. The Executive Reorganization Implementation  
20          Act is amended by changing Section 3.1 as follows:

21               (15 ILCS 15/3.1) (from Ch. 127, par. 1803.1)

22               Sec. 3.1. "Agency directly responsible to the Governor" or  
23               "agency" means any office, officer, division, or part thereof,  
24               and any other office, nonelective officer, department,

1 division, bureau, board, or commission in the executive branch  
2 of State government, except that it does not apply to any  
3 agency whose primary function is service to the General  
4 Assembly or the Judicial Branch of State government, or to any  
5 agency administered by the Attorney General, Secretary of  
6 State, State Comptroller or State Treasurer. In addition the  
7 term does not apply to the following agencies created by law  
8 with the primary responsibility of exercising regulatory or  
9 adjudicatory functions independently of the Governor:

- 10 (1) the State Board of Elections;  
11 (2) the State Board of Education;  
12 (3) the Illinois Commerce Commission;  
13 (4) the Illinois Workers' Compensation Commission;  
14 (5) the Civil Service Commission;  
15 (6) the Fair Employment Practices Commission;  
16 (7) the Pollution Control Board;  
17 (8) the Department of State Police Merit Board;  
18 (9) the Illinois Gaming Board;  
19 (10) the Office of Gaming Enforcement; and  
20 (11) the Illinois Racing Board.

21 (Source: P.A. 93-721, eff. 1-1-05.)

22 Section 90-5. The Alcoholism and Other Drug Abuse and  
23 Dependency Act is amended by changing Section 5-20 as follows:

24 (20 ILCS 301/5-20)

1           Sec. 5-20. Compulsive gambling program.

2           (a) Subject to appropriation, the Department shall  
3 establish a program for public education, research, and  
4 training regarding problem and compulsive gambling and the  
5 treatment and prevention of problem and compulsive gambling.  
6 Subject to specific appropriation for these stated purposes,  
7 the program must include all of the following:

8           (1) Establishment and maintenance of a toll-free "800"  
9 telephone number to provide crisis counseling and referral  
10 services to families experiencing difficulty as a result of  
11 problem or compulsive gambling.

12           (2) Promotion of public awareness regarding the  
13 recognition and prevention of problem and compulsive  
14 gambling.

15           (3) Facilitation, through in-service training and  
16 other means, of the availability of effective assistance  
17 programs for problem and compulsive gamblers.

18           (4) Conducting studies to identify adults and  
19 juveniles in this State who are, or who are at risk of  
20 becoming, problem or compulsive gamblers.

21           (b) Subject to appropriation, the Department shall either  
22 establish and maintain the program or contract with a private  
23 or public entity for the establishment and maintenance of the  
24 program. Subject to appropriation, either the Department or the  
25 private or public entity shall implement the toll-free  
26 telephone number, promote public awareness, and conduct

1 in-service training concerning problem and compulsive  
2 gambling.

3 (c) Subject to appropriation, the Department shall produce  
4 and supply the signs specified in Section 10.7 of the Illinois  
5 Lottery Law, Section 34.1 of the Illinois Horse Racing Act of  
6 1975, Section 4.3 of the Bingo License and Tax Act, Section 8.1  
7 of the Charitable Games Act, and Section 13.1 of the Illinois  
8 ~~Riverboat~~ Gambling Act.

9 (Source: P.A. 89-374, eff. 1-1-96; 89-626, eff. 8-9-96.)

10 Section 90-7. The Department of Commerce and Economic  
11 Opportunity Law of the Civil Administrative Code of Illinois is  
12 amended by adding Section 605-530 as follows:

13 (20 ILCS 605/605-530 new)

14 Sec. 605-530. The Depressed Communities Economic  
15 Development Board.

16 (a) The Depressed Communities Economic Development Board  
17 is created as an advisory board within the Department of  
18 Commerce and Economic Opportunity. The Board shall consist of  
19 10 members as follows:

20 (1) 2 members appointed by the President of the Senate,  
21 one of whom is appointed to serve an initial term of one  
22 year and one of whom is appointed to serve an initial term  
23 of 2 years.

24 (2) 2 members appointed by the Minority Leader of the

1 Senate, one of whom is appointed to serve an initial term  
2 of one year and one of whom is appointed to serve an  
3 initial term of 2 years.

4 (3) 2 members appointed by the Speaker of the House of  
5 Representatives, one of whom is appointed to serve an  
6 initial term of one year and one of whom is appointed to  
7 serve an initial term of 2 years.

8 (4) 2 members appointed by the Minority Leader of the  
9 House of Representatives, one of whom is appointed to serve  
10 an initial term of one year and one of whom is appointed to  
11 serve an initial term of 2 years.

12 (5) 2 members appointed by the Governor with the advice  
13 and consent of the Senate, one of whom is appointed to  
14 serve an initial term of one year and one of whom is  
15 appointed to serve an initial term of 2 years as chair of  
16 the Board at the time of appointment.

17 After the initial terms, each member shall be appointed to  
18 serve a term of 2 years and until his or her successor has been  
19 appointed and assumes office. If a vacancy occurs in the Board  
20 membership, the vacancy shall be filled in the same manner as  
21 the initial appointment.

22 (b) Board members shall serve without compensation but may  
23 be reimbursed for their reasonable travel expenses from funds  
24 available for that purpose. The Department of Commerce and  
25 Economic Opportunity shall provide staff and administrative  
26 support services to the Board.

1       (c) The Board must make recommendations to the Department  
2 of Commerce and Economic Opportunity concerning the award of  
3 grants from amounts appropriated to the Department from the  
4 Depressed Communities Economic Development Fund. The  
5 Department must make grants to public or private entities  
6 submitting proposals to the Board to revitalize an Illinois  
7 depressed community within Cook County. Grants may be used by  
8 these entities only for those purposes conditioned with the  
9 grant. For the purposes of this subsection (c), plans for  
10 revitalizing an Illinois depressed community include plans  
11 intended to curb high levels of poverty, unemployment, job and  
12 population loss, and general distress. An Illinois depressed  
13 community (i) is an area within Cook County where the poverty  
14 rate, as determined by using the most recent data released by  
15 the United States Census Bureau, is at least 3% greater than  
16 the State poverty rate as determined by using the most recent  
17 data released by the United States Census Bureau; or (ii) is an  
18 area within following zip codes: 60104, 60153, 60160, 60402,  
19 60406, 60409, 60411, 60419, 60426, 60429, 60432, 60472, 60473,  
20 60608, 60609, 60612, 60614, 60615, 60617, 60618, 60619, 60620,  
21 60622, 60623, 60624, 60628, 60629, 60630, 60632, 60636, 60637,  
22 60638, 60639, 60641, 60643, 60644, 60647, 60649, 60651, 60652,  
23 60653, 60655, 60804, and 60827.

24       Section 90-10. The Department of Revenue Law of the Civil  
25       Administrative Code of Illinois is amended by changing Section

1 2505-305 as follows:

2 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

3 Sec. 2505-305. Investigators.

4 (a) The Department has the power to appoint investigators  
5 to conduct all investigations, searches, seizures, arrests,  
6 and other duties imposed under the provisions of any law  
7 administered by the Department ~~or the Illinois Gaming Board~~.  
8 Except as provided in subsection (c), these investigators have  
9 and may exercise all the powers of peace officers solely for  
10 the purpose of enforcing taxing measures administered by the  
11 Department ~~or the Illinois Gaming Board~~.

12 (b) The Director must authorize to each investigator  
13 employed under this Section and to any other employee of the  
14 Department exercising the powers of a peace officer a distinct  
15 badge that, on its face, (i) clearly states that the badge is  
16 authorized by the Department and (ii) contains a unique  
17 identifying number. No other badge shall be authorized by the  
18 Department.

19 ~~(c) Investigators appointed under this Section who are~~  
20 ~~assigned to the Illinois Gaming Board have and may exercise all~~  
21 ~~the rights and powers of peace officers, provided that these~~  
22 ~~powers shall be limited to offenses or violations occurring or~~  
23 ~~committed on a riverboat or dock, as defined in subsections (d)~~  
24 ~~and (f) of Section 4 of the Riverboat Gambling Act.~~

25 (Source: P.A. 91-239, eff. 1-1-00; 91-883, eff. 1-1-01; 92-493,

1 eff. 1-1-02.)

2 Section 90-12. The Illinois State Auditing Act is amended  
3 by changing Section 3-1 as follows:

4 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

5 Sec. 3-1. Jurisdiction of Auditor General. The Auditor  
6 General has jurisdiction over all State agencies to make post  
7 audits and investigations authorized by or under this Act or  
8 the Constitution.

9 The Auditor General has jurisdiction over local government  
10 agencies and private agencies only:

11 (a) to make such post audits authorized by or under  
12 this Act as are necessary and incidental to a post audit of  
13 a State agency or of a program administered by a State  
14 agency involving public funds of the State, but this  
15 jurisdiction does not include any authority to review local  
16 governmental agencies in the obligation, receipt,  
17 expenditure or use of public funds of the State that are  
18 granted without limitation or condition imposed by law,  
19 other than the general limitation that such funds be used  
20 for public purposes;

21 (b) to make investigations authorized by or under this  
22 Act or the Constitution; and

23 (c) to make audits of the records of local government  
24 agencies to verify actual costs of state-mandated programs

1           when directed to do so by the Legislative Audit Commission  
2           at the request of the State Board of Appeals under the  
3           State Mandates Act.

4           In addition to the foregoing, the Auditor General may  
5           conduct an audit of the Metropolitan Pier and Exposition  
6           Authority, the Regional Transportation Authority, the Suburban  
7           Bus Division, the Commuter Rail Division and the Chicago  
8           Transit Authority and any other subsidized carrier when  
9           authorized by the Legislative Audit Commission. Such audit may  
10          be a financial, management or program audit, or any combination  
11          thereof.

12          The audit shall determine whether they are operating in  
13          accordance with all applicable laws and regulations. Subject to  
14          the limitations of this Act, the Legislative Audit Commission  
15          may by resolution specify additional determinations to be  
16          included in the scope of the audit.

17          In addition to the foregoing, the Auditor General must also  
18          conduct a financial audit of the Illinois Sports Facilities  
19          Authority's expenditures of public funds in connection with the  
20          reconstruction, renovation, remodeling, extension, or  
21          improvement of all or substantially all of any existing  
22          "facility", as that term is defined in the Illinois Sports  
23          Facilities Authority Act.

24          The Auditor General may also conduct an audit, when  
25          authorized by the Legislative Audit Commission, of any hospital  
26          which receives 10% or more of its gross revenues from payments

1 from the State of Illinois, Department of Healthcare and Family  
2 Services (formerly Department of Public Aid), Medical  
3 Assistance Program.

4 The Auditor General is authorized to conduct financial and  
5 compliance audits of the Illinois Distance Learning Foundation  
6 and the Illinois Conservation Foundation.

7 As soon as practical after the effective date of this  
8 amendatory Act of 1995, the Auditor General shall conduct a  
9 compliance and management audit of the City of Chicago and any  
10 other entity with regard to the operation of Chicago O'Hare  
11 International Airport, Chicago Midway Airport and Merrill C.  
12 Meigs Field. The audit shall include, but not be limited to, an  
13 examination of revenues, expenses, and transfers of funds;  
14 purchasing and contracting policies and practices; staffing  
15 levels; and hiring practices and procedures. When completed,  
16 the audit required by this paragraph shall be distributed in  
17 accordance with Section 3-14.

18 The Auditor General shall conduct a financial and  
19 compliance and program audit of distributions from the  
20 Municipal Economic Development Fund during the immediately  
21 preceding calendar year pursuant to Section 8-403.1 of the  
22 Public Utilities Act at no cost to the city, village, or  
23 incorporated town that received the distributions.

24 The Auditor General must conduct an audit of the Health  
25 Facilities Planning Board pursuant to Section 19.5 of the  
26 Illinois Health Facilities Planning Act.

1       The Auditor General must conduct an audit of the Chicago  
2 Casino Development Authority pursuant to Section 1-60 of the  
3 Chicago Casino Development Authority Act and the Illinois  
4 Casino Development Authority pursuant to Section 5-60 of the  
5 Illinois Casino Development Authority Act.

6       The Auditor General of the State of Illinois shall annually  
7 conduct or cause to be conducted a financial and compliance  
8 audit of the books and records of any county water commission  
9 organized pursuant to the Water Commission Act of 1985 and  
10 shall file a copy of the report of that audit with the Governor  
11 and the Legislative Audit Commission. The filed audit shall be  
12 open to the public for inspection. The cost of the audit shall  
13 be charged to the county water commission in accordance with  
14 Section 6z-27 of the State Finance Act. The county water  
15 commission shall make available to the Auditor General its  
16 books and records and any other documentation, whether in the  
17 possession of its trustees or other parties, necessary to  
18 conduct the audit required. These audit requirements apply only  
19 through July 1, 2007.

20       The Auditor General must conduct audits of the Rend Lake  
21 Conservancy District as provided in Section 25.5 of the River  
22 Conservancy Districts Act.

23       The Auditor General must conduct financial audits of the  
24 Southeastern Illinois Economic Development Authority as  
25 provided in Section 70 of the Southeastern Illinois Economic  
26 Development Authority Act.

1 (Source: P.A. 95-331, eff. 8-21-07.)

2 Section 90-15. The State Finance Act is amended by changing  
3 Section 8h and adding Sections 5.710, 5.711, 5.712, 5.713,  
4 5.714, and 6z-73 as follows:

5 (30 ILCS 105/5.710 new)

6 Sec. 5.710. The Illinois Works Fund.

7 (30 ILCS 105/5.711 new)

8 Sec. 5.711. The Focusing on Children, Uplifting Schools  
9 (FOCUS) Fund.

10 (30 ILCS 105/5.712 new)

11 Sec. 5.712. The Depressed Communities Economic Development  
12 Fund.

13 (30 ILCS 105/5.713 new)

14 Sec. 5.713. The Illinois Works Debt Service Fund.

15 (30 ILCS 105/5.714 new)

16 Sec. 5.714. The Illinois Casino Development Authority  
17 Fund.

18 (30 ILCS 105/6z-73 new)

19 Sec. 6z-73. FOCUS Fund.

1       (a) There is created the Focusing on Children, Uplifting  
2 Schools (FOCUS) Fund as a special fund in the State treasury.  
3 All money in the Fund shall be used, subject to appropriation,  
4 by the State Board of Education as provided in this Section.

5       (b) The State Board of Education shall distribute the money  
6 in the FOCUS Fund as follows:

7           (1) Twenty percent of money in the Fund must be  
8 distributed to a school district organized under Article 34  
9 of the School Code.

10          (2) Twenty percent of the money in the Fund must be  
11 distributed on a per capita basis to depressed school  
12 districts and school districts that accept for enrollment  
13 military-dependent children whose parents or guardians  
14 reside in federal military housing. To determine which  
15 school districts qualify as depressed school districts,  
16 the State Board shall use its final data for the previous  
17 school year concerning those school districts that have the  
18 lowest 30% of available local resources, as defined under  
19 Section 18-8.05 of the School Code. School districts  
20 organized under Article 34 of the School Code are not  
21 eligible for these funds.

22          (3) Fifteen percent of the money in the Fund must be  
23 distributed to school districts as a supplement to their  
24 School Safety and Educational Improvement Block Grant  
25 Program. School districts organized under Article 34 of the  
26 School Code are not eligible for these funds.

1           (4) Ten percent of the money in the Fund must be  
2           distributed as fast growth grants under Section 18-8.10 of  
3           the School Code to school districts that qualify.

4           (5) Ten percent of the money in the Fund must be  
5           distributed to the Regional Offices of Education for a  
6           program to re-enroll dropouts.

7           (6) Fifteen percent of the money in the Fund must be  
8           distributed as a booster grant to school districts and  
9           laboratory schools in proportion to their general state aid  
10           and supplemental state aid grants. School districts  
11           organized under Article 34 of the School Code are not  
12           eligible for these funds.

13           (7) Ten percent of the money in the Fund must be  
14           distributed through an Early Childhood Education Block  
15           Grant under Section 1C-2 of the School Code.

16           (30 ILCS 105/8h)

17           Sec. 8h. Transfers to General Revenue Fund.

18           (a) Except as otherwise provided in this Section and  
19           Section 8n of this Act, and notwithstanding any other State law  
20           to the contrary, the Governor may, through June 30, 2007, from  
21           time to time direct the State Treasurer and Comptroller to  
22           transfer a specified sum from any fund held by the State  
23           Treasurer to the General Revenue Fund in order to help defray  
24           the State's operating costs for the fiscal year. The total  
25           transfer under this Section from any fund in any fiscal year

1 shall not exceed the lesser of (i) 8% of the revenues to be  
2 deposited into the fund during that fiscal year or (ii) an  
3 amount that leaves a remaining fund balance of 25% of the July  
4 1 fund balance of that fiscal year. In fiscal year 2005 only,  
5 prior to calculating the July 1, 2004 final balances, the  
6 Governor may calculate and direct the State Treasurer with the  
7 Comptroller to transfer additional amounts determined by  
8 applying the formula authorized in Public Act 93-839 to the  
9 funds balances on July 1, 2003. No transfer may be made from a  
10 fund under this Section that would have the effect of reducing  
11 the available balance in the fund to an amount less than the  
12 amount remaining unexpended and unreserved from the total  
13 appropriation from that fund estimated to be expended for that  
14 fiscal year. This Section does not apply to any funds that are  
15 restricted by federal law to a specific use, to any funds in  
16 the Motor Fuel Tax Fund, the Intercity Passenger Rail Fund, the  
17 Hospital Provider Fund, the Medicaid Provider Relief Fund, the  
18 Teacher Health Insurance Security Fund, the Reviewing Court  
19 Alternative Dispute Resolution Fund, the Voters' Guide Fund,  
20 the Foreign Language Interpreter Fund, the Lawyers' Assistance  
21 Program Fund, the Supreme Court Federal Projects Fund, the  
22 Supreme Court Special State Projects Fund, the Supplemental  
23 Low-Income Energy Assistance Fund, the Good Samaritan Energy  
24 Trust Fund, the Low-Level Radioactive Waste Facility  
25 Development and Operation Fund, the Horse Racing Equity Trust  
26 Fund, the Racing Industry Workers' Trust Fund, the Illinois

1 Equine Research Trust Fund, the Illinois Colt Stakes Purse  
2 Distribution Fund, the Illinois Thoroughbred Breeders Fund,  
3 the Illinois Racing Quarter Horse Breeders Fund, the Illinois  
4 Standardbred Breeders Fund, the Metabolic Screening and  
5 Treatment Fund, or the Hospital Basic Services Preservation  
6 Fund, or to any funds to which Section 70-50 of the Nurse  
7 Practice Act applies. No transfers may be made under this  
8 Section from the Pet Population Control Fund. Notwithstanding  
9 any other provision of this Section, for fiscal year 2004, the  
10 total transfer under this Section from the Road Fund or the  
11 State Construction Account Fund shall not exceed the lesser of  
12 (i) 5% of the revenues to be deposited into the fund during  
13 that fiscal year or (ii) 25% of the beginning balance in the  
14 fund. For fiscal year 2005 through fiscal year 2007, no amounts  
15 may be transferred under this Section from the Road Fund, the  
16 State Construction Account Fund, the Criminal Justice  
17 Information Systems Trust Fund, the Wireless Service Emergency  
18 Fund, or the Mandatory Arbitration Fund.

19 In determining the available balance in a fund, the  
20 Governor may include receipts, transfers into the fund, and  
21 other resources anticipated to be available in the fund in that  
22 fiscal year.

23 The State Treasurer and Comptroller shall transfer the  
24 amounts designated under this Section as soon as may be  
25 practicable after receiving the direction to transfer from the  
26 Governor.

1 (a-5) Transfers directed to be made under this Section on  
2 or before February 28, 2006 that are still pending on May 19,  
3 2006 (the effective date of Public Act 94-774) shall be  
4 redirected as provided in Section 8n of this Act.

5 (b) This Section does not apply to: (i) the Ticket For The  
6 Cure Fund; (ii) any fund established under the Community Senior  
7 Services and Resources Act; or (iii) on or after January 1,  
8 2006 (the effective date of Public Act 94-511), the Child Labor  
9 and Day and Temporary Labor Enforcement Fund.

10 (c) This Section does not apply to the Demutualization  
11 Trust Fund established under the Uniform Disposition of  
12 Unclaimed Property Act.

13 (d) This Section does not apply to moneys set aside in the  
14 Illinois State Podiatric Disciplinary Fund for podiatric  
15 scholarships and residency programs under the Podiatric  
16 Scholarship and Residency Act.

17 (e) Subsection (a) does not apply to, and no transfer may  
18 be made under this Section from, the Pension Stabilization  
19 Fund.

20 (f) Subsection (a) does not apply to, and no transfer may  
21 be made under this Section from, the Illinois Power Agency  
22 Operations Fund, the Illinois Power Agency Facilities Fund, the  
23 Illinois Power Agency Debt Service Fund, and the Illinois Power  
24 Agency Trust Fund.

25 (g) ~~(f)~~ This Section does not apply to the Veterans Service  
26 Organization Reimbursement Fund.

1        (h) ~~(f)~~ This Section does not apply to the Supreme Court  
2 Historic Preservation Fund.

3        (Source: P.A. 94-91, eff. 7-1-05; 94-120, eff. 7-6-05; 94-511,  
4 eff. 1-1-06; 94-535, eff. 8-10-05; 94-639, eff. 8-22-05;  
5 94-645, eff. 8-22-05; 94-648, eff. 1-1-06; 94-686, eff.  
6 11-2-05; 94-691, eff. 11-2-05; 94-726, eff. 1-20-06; 94-773,  
7 eff. 5-18-06; 94-774, eff. 5-19-06; 94-804, eff. 5-26-06;  
8 94-839, eff. 6-6-06; 95-331, eff. 8-21-07; 95-410, eff.  
9 8-24-07; 95-481, eff. 8-28-07; 95-629, eff. 9-25-07; 95-639,  
10 eff. 10-5-07; 95-695, eff. 11-5-07; revised 11-2-07.)

11        Section 90-21. The Illinois Procurement Code is amended by  
12 changing Section 50-70 as follows:

13        (30 ILCS 500/50-70)

14        Sec. 50-70. Additional provisions. This Code is subject to  
15 applicable provisions of the following Acts:

16            (1) Article 33E of the Criminal Code of 1961;

17            (2) the Illinois Human Rights Act;

18            (3) the Discriminatory Club Act;

19            (4) the Illinois Governmental Ethics Act;

20            (5) the State Prompt Payment Act;

21            (6) the Public Officer Prohibited Activities Act;

22            (7) the Drug Free Workplace Act; ~~and~~

23            (8) the Illinois Power Agency Act; ~~and~~

24            (9) ~~(8)~~ the Employee Classification Act; and ~~and~~

1           (10) the Illinois Gambling Act.

2           (Source: P.A. 95-26, eff. 1-1-08; 95-481, eff. 8-28-07; revised  
3           11-2-07.)

4           Section 90-22. The Illinois Pension Code is amended by  
5           changing Sections 14-110, 14-111, 14-152.1, 18-127, and 18-169  
6           as follows:

7           (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)

8           Sec. 14-110. Alternative retirement annuity.

9           (a) Any member who has withdrawn from service with not less  
10          than 20 years of eligible creditable service and has attained  
11          age 55, and any member who has withdrawn from service with not  
12          less than 25 years of eligible creditable service and has  
13          attained age 50, regardless of whether the attainment of either  
14          of the specified ages occurs while the member is still in  
15          service, shall be entitled to receive at the option of the  
16          member, in lieu of the regular or minimum retirement annuity, a  
17          retirement annuity computed as follows:

18          (i) for periods of service as a noncovered employee: if  
19          retirement occurs on or after January 1, 2001, 3% of final  
20          average compensation for each year of creditable service;  
21          if retirement occurs before January 1, 2001, 2 1/4% of  
22          final average compensation for each of the first 10 years  
23          of creditable service, 2 1/2% for each year above 10 years  
24          to and including 20 years of creditable service, and 2 3/4%

1 for each year of creditable service above 20 years; and

2 (ii) for periods of eligible creditable service as a  
3 covered employee: if retirement occurs on or after January  
4 1, 2001, 2.5% of final average compensation for each year  
5 of creditable service; if retirement occurs before January  
6 1, 2001, 1.67% of final average compensation for each of  
7 the first 10 years of such service, 1.90% for each of the  
8 next 10 years of such service, 2.10% for each year of such  
9 service in excess of 20 but not exceeding 30, and 2.30% for  
10 each year in excess of 30.

11 Such annuity shall be subject to a maximum of 75% of final  
12 average compensation if retirement occurs before January 1,  
13 2001 or to a maximum of 80% of final average compensation if  
14 retirement occurs on or after January 1, 2001.

15 These rates shall not be applicable to any service  
16 performed by a member as a covered employee which is not  
17 eligible creditable service. Service as a covered employee  
18 which is not eligible creditable service shall be subject to  
19 the rates and provisions of Section 14-108.

20 (b) For the purpose of this Section, "eligible creditable  
21 service" means creditable service resulting from service in one  
22 or more of the following positions:

23 (1) State policeman;

24 (2) fire fighter in the fire protection service of a  
25 department;

26 (3) air pilot;

- 1 (4) special agent;
- 2 (5) investigator for the Secretary of State;
- 3 (6) conservation police officer;
- 4 (7) investigator for the Department of Revenue;
- 5 (7.5) investigator for the Office of Gaming
- 6 Enforcement;
- 7 (8) security employee of the Department of Human
- 8 Services;
- 9 (9) Central Management Services security police
- 10 officer;
- 11 (10) security employee of the Department of
- 12 Corrections or the Department of Juvenile Justice;
- 13 (11) dangerous drugs investigator;
- 14 (12) investigator for the Department of State Police;
- 15 (13) investigator for the Office of the Attorney
- 16 General;
- 17 (14) controlled substance inspector;
- 18 (15) investigator for the Office of the State's
- 19 Attorneys Appellate Prosecutor;
- 20 (16) Commerce Commission police officer;
- 21 (17) arson investigator;
- 22 (18) State highway maintenance worker.

23 A person employed in one of the positions specified in this  
24 subsection is entitled to eligible creditable service for  
25 service credit earned under this Article while undergoing the  
26 basic police training course approved by the Illinois Law

1 Enforcement Training Standards Board, if completion of that  
2 training is required of persons serving in that position. For  
3 the purposes of this Code, service during the required basic  
4 police training course shall be deemed performance of the  
5 duties of the specified position, even though the person is not  
6 a sworn peace officer at the time of the training.

7 (c) For the purposes of this Section:

8 (1) The term "state policeman" includes any title or  
9 position in the Department of State Police that is held by  
10 an individual employed under the State Police Act.

11 (2) The term "fire fighter in the fire protection  
12 service of a department" includes all officers in such fire  
13 protection service including fire chiefs and assistant  
14 fire chiefs.

15 (3) The term "air pilot" includes any employee whose  
16 official job description on file in the Department of  
17 Central Management Services, or in the department by which  
18 he is employed if that department is not covered by the  
19 Personnel Code, states that his principal duty is the  
20 operation of aircraft, and who possesses a pilot's license;  
21 however, the change in this definition made by this  
22 amendatory Act of 1983 shall not operate to exclude any  
23 noncovered employee who was an "air pilot" for the purposes  
24 of this Section on January 1, 1984.

25 (4) The term "special agent" means any person who by  
26 reason of employment by the Division of Narcotic Control,

1 the Bureau of Investigation or, after July 1, 1977, the  
2 Division of Criminal Investigation, the Division of  
3 Internal Investigation, the Division of Operations, or any  
4 other Division or organizational entity in the Department  
5 of State Police is vested by law with duties to maintain  
6 public order, investigate violations of the criminal law of  
7 this State, enforce the laws of this State, make arrests  
8 and recover property. The term "special agent" includes any  
9 title or position in the Department of State Police that is  
10 held by an individual employed under the State Police Act.

11 (5) The term "investigator for the Secretary of State"  
12 means any person employed by the Office of the Secretary of  
13 State and vested with such investigative duties as render  
14 him ineligible for coverage under the Social Security Act  
15 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and  
16 218(1)(1) of that Act.

17 A person who became employed as an investigator for the  
18 Secretary of State between January 1, 1967 and December 31,  
19 1975, and who has served as such until attainment of age  
20 60, either continuously or with a single break in service  
21 of not more than 3 years duration, which break terminated  
22 before January 1, 1976, shall be entitled to have his  
23 retirement annuity calculated in accordance with  
24 subsection (a), notwithstanding that he has less than 20  
25 years of credit for such service.

26 (6) The term "Conservation Police Officer" means any

1 person employed by the Division of Law Enforcement of the  
2 Department of Natural Resources and vested with such law  
3 enforcement duties as render him ineligible for coverage  
4 under the Social Security Act by reason of Sections  
5 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act. The  
6 term "Conservation Police Officer" includes the positions  
7 of Chief Conservation Police Administrator and Assistant  
8 Conservation Police Administrator.

9 (7) The term "investigator for the Department of  
10 Revenue" means any person employed by the Department of  
11 Revenue and vested with such investigative duties as render  
12 him ineligible for coverage under the Social Security Act  
13 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and  
14 218(1)(1) of that Act.

15 (7.5) The term "investigator for the Office of Gaming  
16 Enforcement" means any person employed as such by the  
17 Office of Gaming Enforcement and vested with such peace  
18 officer duties as render the person ineligible for coverage  
19 under the Social Security Act by reason of Sections  
20 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act, but  
21 only to the extent that a member received creditable  
22 service under this Section prior to such employment.

23 (8) The term "security employee of the Department of  
24 Human Services" means any person employed by the Department  
25 of Human Services who (i) is employed at the Chester Mental  
26 Health Center and has daily contact with the residents

1           thereof, (ii) is employed within a security unit at a  
2           facility operated by the Department and has daily contact  
3           with the residents of the security unit, (iii) is employed  
4           at a facility operated by the Department that includes a  
5           security unit and is regularly scheduled to work at least  
6           50% of his or her working hours within that security unit,  
7           or (iv) is a mental health police officer. "Mental health  
8           police officer" means any person employed by the Department  
9           of Human Services in a position pertaining to the  
10          Department's mental health and developmental disabilities  
11          functions who is vested with such law enforcement duties as  
12          render the person ineligible for coverage under the Social  
13          Security Act by reason of Sections 218(d)(5)(A),  
14          218(d)(8)(D) and 218(1)(1) of that Act. "Security unit"  
15          means that portion of a facility that is devoted to the  
16          care, containment, and treatment of persons committed to  
17          the Department of Human Services as sexually violent  
18          persons, persons unfit to stand trial, or persons not  
19          guilty by reason of insanity. With respect to past  
20          employment, references to the Department of Human Services  
21          include its predecessor, the Department of Mental Health  
22          and Developmental Disabilities.

23                 The changes made to this subdivision (c)(8) by Public  
24          Act 92-14 apply to persons who retire on or after January  
25          1, 2001, notwithstanding Section 1-103.1.

26                 (9) "Central Management Services security police

1 officer" means any person employed by the Department of  
2 Central Management Services who is vested with such law  
3 enforcement duties as render him ineligible for coverage  
4 under the Social Security Act by reason of Sections  
5 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

6 (10) For a member who first became an employee under  
7 this Article before July 1, 2005, the term "security  
8 employee of the Department of Corrections or the Department  
9 of Juvenile Justice" means any employee of the Department  
10 of Corrections or the Department of Juvenile Justice or the  
11 former Department of Personnel, and any member or employee  
12 of the Prisoner Review Board, who has daily contact with  
13 inmates or youth by working within a correctional facility  
14 or Juvenile facility operated by the Department of Juvenile  
15 Justice or who is a parole officer or an employee who has  
16 direct contact with committed persons in the performance of  
17 his or her job duties. For a member who first becomes an  
18 employee under this Article on or after July 1, 2005, the  
19 term means an employee of the Department of Corrections or  
20 the Department of Juvenile Justice who is any of the  
21 following: (i) officially headquartered at a correctional  
22 facility or Juvenile facility operated by the Department of  
23 Juvenile Justice, (ii) a parole officer, (iii) a member of  
24 the apprehension unit, (iv) a member of the intelligence  
25 unit, (v) a member of the sort team, or (vi) an  
26 investigator.

1           (11) The term "dangerous drugs investigator" means any  
2 person who is employed as such by the Department of Human  
3 Services.

4           (12) The term "investigator for the Department of State  
5 Police" means a person employed by the Department of State  
6 Police who is vested under Section 4 of the Narcotic  
7 Control Division Abolition Act with such law enforcement  
8 powers as render him ineligible for coverage under the  
9 Social Security Act by reason of Sections 218(d)(5)(A),  
10 218(d)(8)(D) and 218(1)(1) of that Act.

11           (13) "Investigator for the Office of the Attorney  
12 General" means any person who is employed as such by the  
13 Office of the Attorney General and is vested with such  
14 investigative duties as render him ineligible for coverage  
15 under the Social Security Act by reason of Sections  
16 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For  
17 the period before January 1, 1989, the term includes all  
18 persons who were employed as investigators by the Office of  
19 the Attorney General, without regard to social security  
20 status.

21           (14) "Controlled substance inspector" means any person  
22 who is employed as such by the Department of Professional  
23 Regulation and is vested with such law enforcement duties  
24 as render him ineligible for coverage under the Social  
25 Security Act by reason of Sections 218(d)(5)(A),  
26 218(d)(8)(D) and 218(1)(1) of that Act. The term

1 "controlled substance inspector" includes the Program  
2 Executive of Enforcement and the Assistant Program  
3 Executive of Enforcement.

4 (15) The term "investigator for the Office of the  
5 State's Attorneys Appellate Prosecutor" means a person  
6 employed in that capacity on a full time basis under the  
7 authority of Section 7.06 of the State's Attorneys  
8 Appellate Prosecutor's Act.

9 (16) "Commerce Commission police officer" means any  
10 person employed by the Illinois Commerce Commission who is  
11 vested with such law enforcement duties as render him  
12 ineligible for coverage under the Social Security Act by  
13 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and  
14 218(1)(1) of that Act.

15 (17) "Arson investigator" means any person who is  
16 employed as such by the Office of the State Fire Marshal  
17 and is vested with such law enforcement duties as render  
18 the person ineligible for coverage under the Social  
19 Security Act by reason of Sections 218(d)(5)(A),  
20 218(d)(8)(D), and 218(1)(1) of that Act. A person who was  
21 employed as an arson investigator on January 1, 1995 and is  
22 no longer in service but not yet receiving a retirement  
23 annuity may convert his or her creditable service for  
24 employment as an arson investigator into eligible  
25 creditable service by paying to the System the difference  
26 between the employee contributions actually paid for that

1 service and the amounts that would have been contributed if  
2 the applicant were contributing at the rate applicable to  
3 persons with the same social security status earning  
4 eligible creditable service on the date of application.

5 (18) The term "State highway maintenance worker" means  
6 a person who is either of the following:

7 (i) A person employed on a full-time basis by the  
8 Illinois Department of Transportation in the position  
9 of highway maintainer, highway maintenance lead  
10 worker, highway maintenance lead/lead worker, heavy  
11 construction equipment operator, power shovel  
12 operator, or bridge mechanic; and whose principal  
13 responsibility is to perform, on the roadway, the  
14 actual maintenance necessary to keep the highways that  
15 form a part of the State highway system in serviceable  
16 condition for vehicular traffic.

17 (ii) A person employed on a full-time basis by the  
18 Illinois State Toll Highway Authority in the position  
19 of equipment operator/laborer H-4, equipment  
20 operator/laborer H-6, welder H-4, welder H-6,  
21 mechanical/electrical H-4, mechanical/electrical H-6,  
22 water/sewer H-4, water/sewer H-6, sign maker/hanger  
23 H-4, sign maker/hanger H-6, roadway lighting H-4,  
24 roadway lighting H-6, structural H-4, structural H-6,  
25 painter H-4, or painter H-6; and whose principal  
26 responsibility is to perform, on the roadway, the

1 actual maintenance necessary to keep the Authority's  
2 tollways in serviceable condition for vehicular  
3 traffic.

4 (d) A security employee of the Department of Corrections or  
5 the Department of Juvenile Justice, and a security employee of  
6 the Department of Human Services who is not a mental health  
7 police officer, shall not be eligible for the alternative  
8 retirement annuity provided by this Section unless he or she  
9 meets the following minimum age and service requirements at the  
10 time of retirement:

11 (i) 25 years of eligible creditable service and age 55;

12 or

13 (ii) beginning January 1, 1987, 25 years of eligible  
14 creditable service and age 54, or 24 years of eligible  
15 creditable service and age 55; or

16 (iii) beginning January 1, 1988, 25 years of eligible  
17 creditable service and age 53, or 23 years of eligible  
18 creditable service and age 55; or

19 (iv) beginning January 1, 1989, 25 years of eligible  
20 creditable service and age 52, or 22 years of eligible  
21 creditable service and age 55; or

22 (v) beginning January 1, 1990, 25 years of eligible  
23 creditable service and age 51, or 21 years of eligible  
24 creditable service and age 55; or

25 (vi) beginning January 1, 1991, 25 years of eligible  
26 creditable service and age 50, or 20 years of eligible

1           creditable service and age 55.

2           Persons who have service credit under Article 16 of this  
3 Code for service as a security employee of the Department of  
4 Corrections or the Department of Juvenile Justice, or the  
5 Department of Human Services in a position requiring  
6 certification as a teacher may count such service toward  
7 establishing their eligibility under the service requirements  
8 of this Section; but such service may be used only for  
9 establishing such eligibility, and not for the purpose of  
10 increasing or calculating any benefit.

11           (e) If a member enters military service while working in a  
12 position in which eligible creditable service may be earned,  
13 and returns to State service in the same or another such  
14 position, and fulfills in all other respects the conditions  
15 prescribed in this Article for credit for military service,  
16 such military service shall be credited as eligible creditable  
17 service for the purposes of the retirement annuity prescribed  
18 in this Section.

19           (f) For purposes of calculating retirement annuities under  
20 this Section, periods of service rendered after December 31,  
21 1968 and before October 1, 1975 as a covered employee in the  
22 position of special agent, conservation police officer, mental  
23 health police officer, or investigator for the Secretary of  
24 State, shall be deemed to have been service as a noncovered  
25 employee, provided that the employee pays to the System prior  
26 to retirement an amount equal to (1) the difference between the

1 employee contributions that would have been required for such  
2 service as a noncovered employee, and the amount of employee  
3 contributions actually paid, plus (2) if payment is made after  
4 July 31, 1987, regular interest on the amount specified in item  
5 (1) from the date of service to the date of payment.

6 For purposes of calculating retirement annuities under  
7 this Section, periods of service rendered after December 31,  
8 1968 and before January 1, 1982 as a covered employee in the  
9 position of investigator for the Department of Revenue shall be  
10 deemed to have been service as a noncovered employee, provided  
11 that the employee pays to the System prior to retirement an  
12 amount equal to (1) the difference between the employee  
13 contributions that would have been required for such service as  
14 a noncovered employee, and the amount of employee contributions  
15 actually paid, plus (2) if payment is made after January 1,  
16 1990, regular interest on the amount specified in item (1) from  
17 the date of service to the date of payment.

18 (g) A State policeman may elect, not later than January 1,  
19 1990, to establish eligible creditable service for up to 10  
20 years of his service as a policeman under Article 3, by filing  
21 a written election with the Board, accompanied by payment of an  
22 amount to be determined by the Board, equal to (i) the  
23 difference between the amount of employee and employer  
24 contributions transferred to the System under Section 3-110.5,  
25 and the amounts that would have been contributed had such  
26 contributions been made at the rates applicable to State

1 policemen, plus (ii) interest thereon at the effective rate for  
2 each year, compounded annually, from the date of service to the  
3 date of payment.

4 Subject to the limitation in subsection (i), a State  
5 policeman may elect, not later than July 1, 1993, to establish  
6 eligible creditable service for up to 10 years of his service  
7 as a member of the County Police Department under Article 9, by  
8 filing a written election with the Board, accompanied by  
9 payment of an amount to be determined by the Board, equal to  
10 (i) the difference between the amount of employee and employer  
11 contributions transferred to the System under Section 9-121.10  
12 and the amounts that would have been contributed had those  
13 contributions been made at the rates applicable to State  
14 policemen, plus (ii) interest thereon at the effective rate for  
15 each year, compounded annually, from the date of service to the  
16 date of payment.

17 (h) Subject to the limitation in subsection (i), a State  
18 policeman or investigator for the Secretary of State may elect  
19 to establish eligible creditable service for up to 12 years of  
20 his service as a policeman under Article 5, by filing a written  
21 election with the Board on or before January 31, 1992, and  
22 paying to the System by January 31, 1994 an amount to be  
23 determined by the Board, equal to (i) the difference between  
24 the amount of employee and employer contributions transferred  
25 to the System under Section 5-236, and the amounts that would  
26 have been contributed had such contributions been made at the

1 rates applicable to State policemen, plus (ii) interest thereon  
2 at the effective rate for each year, compounded annually, from  
3 the date of service to the date of payment.

4 Subject to the limitation in subsection (i), a State  
5 policeman, conservation police officer, or investigator for  
6 the Secretary of State may elect to establish eligible  
7 creditable service for up to 10 years of service as a sheriff's  
8 law enforcement employee under Article 7, by filing a written  
9 election with the Board on or before January 31, 1993, and  
10 paying to the System by January 31, 1994 an amount to be  
11 determined by the Board, equal to (i) the difference between  
12 the amount of employee and employer contributions transferred  
13 to the System under Section 7-139.7, and the amounts that would  
14 have been contributed had such contributions been made at the  
15 rates applicable to State policemen, plus (ii) interest thereon  
16 at the effective rate for each year, compounded annually, from  
17 the date of service to the date of payment.

18 Subject to the limitation in subsection (i), a State  
19 policeman, conservation police officer, or investigator for  
20 the Secretary of State may elect to establish eligible  
21 creditable service for up to 5 years of service as a police  
22 officer under Article 3, a policeman under Article 5, a  
23 sheriff's law enforcement employee under Article 7, a member of  
24 the county police department under Article 9, or a police  
25 officer under Article 15 by filing a written election with the  
26 Board and paying to the System an amount to be determined by

1 the Board, equal to (i) the difference between the amount of  
2 employee and employer contributions transferred to the System  
3 under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4  
4 and the amounts that would have been contributed had such  
5 contributions been made at the rates applicable to State  
6 policemen, plus (ii) interest thereon at the effective rate for  
7 each year, compounded annually, from the date of service to the  
8 date of payment.

9 (i) The total amount of eligible creditable service  
10 established by any person under subsections (g), (h), (j), (k),  
11 and (l) of this Section shall not exceed 12 years.

12 (j) Subject to the limitation in subsection (i), an  
13 investigator for the Office of the State's Attorneys Appellate  
14 Prosecutor or a controlled substance inspector may elect to  
15 establish eligible creditable service for up to 10 years of his  
16 service as a policeman under Article 3 or a sheriff's law  
17 enforcement employee under Article 7, by filing a written  
18 election with the Board, accompanied by payment of an amount to  
19 be determined by the Board, equal to (1) the difference between  
20 the amount of employee and employer contributions transferred  
21 to the System under Section 3-110.6 or 7-139.8, and the amounts  
22 that would have been contributed had such contributions been  
23 made at the rates applicable to State policemen, plus (2)  
24 interest thereon at the effective rate for each year,  
25 compounded annually, from the date of service to the date of  
26 payment.

1           (k) Subject to the limitation in subsection (i) of this  
2 Section, an alternative formula employee may elect to establish  
3 eligible creditable service for periods spent as a full-time  
4 law enforcement officer or full-time corrections officer  
5 employed by the federal government or by a state or local  
6 government located outside of Illinois, for which credit is not  
7 held in any other public employee pension fund or retirement  
8 system. To obtain this credit, the applicant must file a  
9 written application with the Board by March 31, 1998,  
10 accompanied by evidence of eligibility acceptable to the Board  
11 and payment of an amount to be determined by the Board, equal  
12 to (1) employee contributions for the credit being established,  
13 based upon the applicant's salary on the first day as an  
14 alternative formula employee after the employment for which  
15 credit is being established and the rates then applicable to  
16 alternative formula employees, plus (2) an amount determined by  
17 the Board to be the employer's normal cost of the benefits  
18 accrued for the credit being established, plus (3) regular  
19 interest on the amounts in items (1) and (2) from the first day  
20 as an alternative formula employee after the employment for  
21 which credit is being established to the date of payment.

22           (1) Subject to the limitation in subsection (i), a security  
23 employee of the Department of Corrections may elect, not later  
24 than July 1, 1998, to establish eligible creditable service for  
25 up to 10 years of his or her service as a policeman under  
26 Article 3, by filing a written election with the Board,

1 accompanied by payment of an amount to be determined by the  
2 Board, equal to (i) the difference between the amount of  
3 employee and employer contributions transferred to the System  
4 under Section 3-110.5, and the amounts that would have been  
5 contributed had such contributions been made at the rates  
6 applicable to security employees of the Department of  
7 Corrections, plus (ii) interest thereon at the effective rate  
8 for each year, compounded annually, from the date of service to  
9 the date of payment.

10 (m) The amendatory changes to this Section made by this  
11 amendatory Act of the 94th General Assembly apply only to: (1)  
12 security employees of the Department of Juvenile Justice  
13 employed by the Department of Corrections before the effective  
14 date of this amendatory Act of the 94th General Assembly and  
15 transferred to the Department of Juvenile Justice by this  
16 amendatory Act of the 94th General Assembly; and (2) persons  
17 employed by the Department of Juvenile Justice on or after the  
18 effective date of this amendatory Act of the 94th General  
19 Assembly who are required by subsection (b) of Section 3-2.5-15  
20 of the Unified Code of Corrections to have a bachelor's or  
21 advanced degree from an accredited college or university with a  
22 specialization in criminal justice, education, psychology,  
23 social work, or a closely related social science or, in the  
24 case of persons who provide vocational training, who are  
25 required to have adequate knowledge in the skill for which they  
26 are providing the vocational training.

1 (Source: P.A. 94-4, eff. 6-1-05; 94-696, eff. 6-1-06; 95-530,  
2 eff. 8-28-07.)

3 (40 ILCS 5/14-111) (from Ch. 108 1/2, par. 14-111)  
4 Sec. 14-111. Re-entry After retirement.

5 (a) An annuitant who re-enters the service of a department  
6 and receives compensation on a regular payroll shall receive no  
7 payments of the retirement annuity during the time he is so  
8 employed, with the following exceptions:

9 (1) An annuitant who is employed by a department while  
10 he or she is a continuing participant in the General  
11 Assembly Retirement System under Sections 2-117.1 and  
12 14-105.4 will not be considered to have made a re-entry  
13 after retirement within the meaning of this Section for the  
14 duration of such continuing participation. Any person who  
15 is a continuing participant under Sections 2-117.1 and  
16 14-105.4 on the effective date of this amendatory Act of  
17 1991 and whose retirement annuity has been suspended under  
18 this Section shall be entitled to receive from the System a  
19 sum equal to the annuity payments that have been withheld  
20 under this Section, and shall receive the benefit of this  
21 amendment without regard to Section 1-103.1.

22 (2) An annuitant who accepts temporary employment from  
23 such a department for a period not exceeding 75 working  
24 days in any calendar year is not considered to make a  
25 re-entry after retirement within the meaning of this

1 Section. Any part of a day on temporary employment is  
2 considered a full day of employment.

3 (3) An annuitant who accepts employment as a member of  
4 the Illinois Gaming Board or as the Director of Gaming  
5 Enforcement may elect to not participate in this System  
6 with respect to that service. An annuitant who elects to  
7 not participate in this System with respect to that service  
8 is not considered to make a re-entry after retirement  
9 within the meaning of this Section.

10 (b) If such person re-enters the service of a department,  
11 not as a temporary employee, contributions to the system shall  
12 begin as of the date of re-employment and additional creditable  
13 service shall begin to accrue. He shall assume the status of a  
14 member entitled to all rights and privileges in the system,  
15 including death and disability benefits, excluding a refund of  
16 contributions.

17 Upon subsequent retirement, his retirement annuity shall  
18 consist of:

19 (1) the amounts of the annuities terminated by re-entry  
20 into service; and

21 (2) the amount of the additional retirement annuity  
22 earned by the member during the period of additional  
23 membership service which shall not be subject to  
24 reversionary annuity if any.

25 The total retirement annuity shall not, however, exceed the  
26 maximum applicable to the member at the time of original

1 retirement. In the computation of any such retirement annuity,  
2 the time that the member was on retirement shall not interrupt  
3 the continuity of service for the computation of final average  
4 compensation and the additional membership service shall be  
5 considered, together with service rendered before the previous  
6 retirement, in establishing final average compensation.

7 A person who re-enters the service of a department within 3  
8 years after retiring may qualify to have the retirement annuity  
9 computed as though the member had not previously retired by  
10 paying to the System, within 5 years after re-entry and prior  
11 to subsequent retirement, in a lump sum or in installment  
12 payments in accordance with such rules as may be adopted by the  
13 Board, an amount equal to all retirement payments received,  
14 including any payments received in accordance with subsection  
15 (c) or (d) of Section 14-130, plus regular interest from the  
16 date retirement payments were suspended to the date of  
17 repayment.

18 (Source: P.A. 86-1488; 87-794.)

19 (40 ILCS 5/14-152.1)

20 Sec. 14-152.1. Application and expiration of new benefit  
21 increases.

22 (a) As used in this Section, "new benefit increase" means  
23 an increase in the amount of any benefit provided under this  
24 Article, or an expansion of the conditions of eligibility for  
25 any benefit under this Article, that results from an amendment

1 to this Code that takes effect after June 1, 2005 (the  
2 effective date of Public Act 94-4) ~~this amendatory Act of the~~  
3 ~~94th General Assembly~~. "New benefit increase", however, does  
4 not include any benefit increase resulting from the changes  
5 made to this Article by this amendatory Act of the 95th General  
6 Assembly.

7 (b) Notwithstanding any other provision of this Code or any  
8 subsequent amendment to this Code, every new benefit increase  
9 is subject to this Section and shall be deemed to be granted  
10 only in conformance with and contingent upon compliance with  
11 the provisions of this Section.

12 (c) The Public Act enacting a new benefit increase must  
13 identify and provide for payment to the System of additional  
14 funding at least sufficient to fund the resulting annual  
15 increase in cost to the System as it accrues.

16 Every new benefit increase is contingent upon the General  
17 Assembly providing the additional funding required under this  
18 subsection. The Commission on Government Forecasting and  
19 Accountability shall analyze whether adequate additional  
20 funding has been provided for the new benefit increase and  
21 shall report its analysis to the Public Pension Division of the  
22 Department of Financial and Professional Regulation. A new  
23 benefit increase created by a Public Act that does not include  
24 the additional funding required under this subsection is null  
25 and void. If the Public Pension Division determines that the  
26 additional funding provided for a new benefit increase under

1 this subsection is or has become inadequate, it may so certify  
2 to the Governor and the State Comptroller and, in the absence  
3 of corrective action by the General Assembly, the new benefit  
4 increase shall expire at the end of the fiscal year in which  
5 the certification is made.

6 (d) Every new benefit increase shall expire 5 years after  
7 its effective date or on such earlier date as may be specified  
8 in the language enacting the new benefit increase or provided  
9 under subsection (c). This does not prevent the General  
10 Assembly from extending or re-creating a new benefit increase  
11 by law.

12 (e) Except as otherwise provided in the language creating  
13 the new benefit increase, a new benefit increase that expires  
14 under this Section continues to apply to persons who applied  
15 and qualified for the affected benefit while the new benefit  
16 increase was in effect and to the affected beneficiaries and  
17 alternate payees of such persons, but does not apply to any  
18 other person, including without limitation a person who  
19 continues in service after the expiration date and did not  
20 apply and qualify for the affected benefit while the new  
21 benefit increase was in effect.

22 (Source: P.A. 94-4, eff. 6-1-05.)

23 (40 ILCS 5/18-127) (from Ch. 108 1/2, par. 18-127)

24 Sec. 18-127. Retirement annuity - suspension on  
25 reemployment.

1           (a) A participant receiving a retirement annuity who is  
2 regularly employed for compensation by an employer other than a  
3 county, in any capacity, shall have his or her retirement  
4 annuity payments suspended during such employment. Upon  
5 termination of such employment, retirement annuity payments at  
6 the previous rate shall be resumed.

7           If such a participant resumes service as a judge, he or she  
8 shall receive credit for any additional service. Upon  
9 subsequent retirement, his or her retirement annuity shall be  
10 the amount previously granted, plus the amount earned by the  
11 additional judicial service under the provisions in effect  
12 during the period of such additional service. However, if the  
13 participant was receiving the maximum rate of annuity at the  
14 time of re-employment, he or she may elect, in a written  
15 direction filed with the board, not to receive any additional  
16 service credit during the period of re-employment. In such  
17 case, contributions shall not be required during the period of  
18 re-employment. Any such election shall be irrevocable.

19           (b) Beginning January 1, 1991, any participant receiving a  
20 retirement annuity who accepts temporary employment from an  
21 employer other than a county for a period not exceeding 75  
22 working days in any calendar year shall not be deemed to be  
23 regularly employed for compensation or to have resumed service  
24 as a judge for the purposes of this Article. A day shall be  
25 considered a working day if the annuitant performs on it any of  
26 his duties under the temporary employment agreement.

1 (c) Except as provided in subsection (a), beginning January  
2 1, 1993, retirement annuities shall not be subject to  
3 suspension upon resumption of employment for an employer, and  
4 any retirement annuity that is then so suspended shall be  
5 reinstated on that date.

6 (d) The changes made in this Section by this amendatory Act  
7 of 1993 shall apply to judges no longer in service on its  
8 effective date, as well as to judges serving on or after that  
9 date.

10 (e) A participant receiving a retirement annuity under this  
11 Article who (i) serves as a part-time employee in any of the  
12 following positions: Legislative Inspector General, Special  
13 Legislative Inspector General, employee of the Office of the  
14 Legislative Inspector General, Executive Director of the  
15 Legislative Ethics Commission, or staff of the Legislative  
16 Ethics Commission or (ii) serves on the Illinois Gaming Board  
17 or as the Director of Gaming Enforcement, but has not elected  
18 to participate in the Article 14 System with respect to that  
19 service, shall not be deemed to be regularly employed for  
20 compensation by an employer other than a county, nor to have  
21 resumed service as a judge, on the basis of that service, and  
22 the retirement annuity payments and other benefits of that  
23 person under this Code shall not be suspended, diminished, or  
24 otherwise impaired solely as a consequence of that service.  
25 This subsection (e) applies without regard to whether the  
26 person is in service as a judge under this Article on or after

1 the effective date of this amendatory Act of the 93rd General  
2 Assembly. In this subsection, a "part-time employee" is a  
3 person who is not required to work at least 35 hours per week.  
4 The changes made to this subsection (e) by this amendatory Act  
5 of the 95th General Assembly apply without regard to whether  
6 the person is in service as a judge under this Article on or  
7 after the effective date of this amendatory Act of the 95th  
8 General Assembly.

9 (f) A participant receiving a retirement annuity under this  
10 Article who has made an election under Section 1-123 and who is  
11 serving either as legal counsel in the Office of the Governor  
12 or as Chief Deputy Attorney General shall not be deemed to be  
13 regularly employed for compensation by an employer other than a  
14 county, nor to have resumed service as a judge, on the basis of  
15 that service, and the retirement annuity payments and other  
16 benefits of that person under this Code shall not be suspended,  
17 diminished, or otherwise impaired solely as a consequence of  
18 that service. This subsection (f) applies without regard to  
19 whether the person is in service as a judge under this Article  
20 on or after the effective date of this amendatory Act of the  
21 93rd General Assembly.

22 (Source: P.A. 93-685, eff. 7-8-04; 93-1069, eff. 1-15-05.)

23 (40 ILCS 5/18-169)

24 Sec. 18-169. Application and expiration of new benefit  
25 increases.

1           (a) As used in this Section, "new benefit increase" means  
2 an increase in the amount of any benefit provided under this  
3 Article, or an expansion of the conditions of eligibility for  
4 any benefit under this Article, that results from an amendment  
5 to this Code that takes effect after June 1, 2005 (the  
6 effective date Public Act 94-4) ~~of this amendatory Act of the~~  
7 ~~94th General Assembly~~. "New benefit increase", however, does  
8 not include any benefit increase resulting from the changes  
9 made to this Article by this amendatory Act of the 95th General  
10 Assembly.

11           (b) Notwithstanding any other provision of this Code or any  
12 subsequent amendment to this Code, every new benefit increase  
13 is subject to this Section and shall be deemed to be granted  
14 only in conformance with and contingent upon compliance with  
15 the provisions of this Section.

16           (c) The Public Act enacting a new benefit increase must  
17 identify and provide for payment to the System of additional  
18 funding at least sufficient to fund the resulting annual  
19 increase in cost to the System as it accrues.

20           Every new benefit increase is contingent upon the General  
21 Assembly providing the additional funding required under this  
22 subsection. The Commission on Government Forecasting and  
23 Accountability shall analyze whether adequate additional  
24 funding has been provided for the new benefit increase and  
25 shall report its analysis to the Public Pension Division of the  
26 Department of Financial and Professional Regulation. A new

1 benefit increase created by a Public Act that does not include  
2 the additional funding required under this subsection is null  
3 and void. If the Public Pension Division determines that the  
4 additional funding provided for a new benefit increase under  
5 this subsection is or has become inadequate, it may so certify  
6 to the Governor and the State Comptroller and, in the absence  
7 of corrective action by the General Assembly, the new benefit  
8 increase shall expire at the end of the fiscal year in which  
9 the certification is made.

10 (d) Every new benefit increase shall expire 5 years after  
11 its effective date or on such earlier date as may be specified  
12 in the language enacting the new benefit increase or provided  
13 under subsection (c). This does not prevent the General  
14 Assembly from extending or re-creating a new benefit increase  
15 by law.

16 (e) Except as otherwise provided in the language creating  
17 the new benefit increase, a new benefit increase that expires  
18 under this Section continues to apply to persons who applied  
19 and qualified for the affected benefit while the new benefit  
20 increase was in effect and to the affected beneficiaries and  
21 alternate payees of such persons, but does not apply to any  
22 other person, including without limitation a person who  
23 continues in service after the expiration date and did not  
24 apply and qualify for the affected benefit while the new  
25 benefit increase was in effect.

26 (Source: P.A. 94-4, eff. 6-1-05.)

1           Section 90-25. The Joliet Regional Port District Act is  
2 amended by changing Section 5.1 as follows:

3           (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

4           Sec. 5.1. Riverboat gambling. Notwithstanding any other  
5 provision of this Act, the District may not regulate the  
6 operation, conduct, or navigation of any riverboat gambling  
7 casino licensed under the Illinois ~~Riverboat~~ Gambling Act, and  
8 the District may not license, tax, or otherwise levy any  
9 assessment of any kind on any riverboat gambling casino  
10 licensed under the Illinois ~~Riverboat~~ Gambling Act. The General  
11 Assembly declares that the powers to regulate the operation,  
12 conduct, and navigation of riverboat gambling casinos and to  
13 license, tax, and levy assessments upon riverboat gambling  
14 casinos are exclusive powers of the State of Illinois and the  
15 Illinois Gaming Board as provided in the Illinois ~~Riverboat~~  
16 Gambling Act.

17           (Source: P.A. 87-1175.)

18           Section 90-30. The Consumer Installment Loan Act is amended  
19 by changing Section 12.5 as follows:

20           (205 ILCS 670/12.5)

21           Sec. 12.5. Limited purpose branch.

22           (a) Upon the written approval of the Director, a licensee

1 may maintain a limited purpose branch for the sole purpose of  
2 making loans as permitted by this Act. A limited purpose branch  
3 may include an automatic loan machine. No other activity shall  
4 be conducted at the site, including but not limited to,  
5 accepting payments, servicing the accounts, or collections.

6 (b) The licensee must submit an application for a limited  
7 purpose branch to the Director on forms prescribed by the  
8 Director with an application fee of \$300. The approval for the  
9 limited purpose branch must be renewed concurrently with the  
10 renewal of the licensee's license along with a renewal fee of  
11 \$300 for the limited purpose branch.

12 (c) The books, accounts, records, and files of the limited  
13 purpose branch's transactions shall be maintained at the  
14 licensee's licensed location. The licensee shall notify the  
15 Director of the licensed location at which the books, accounts,  
16 records, and files shall be maintained.

17 (d) The licensee shall prominently display at the limited  
18 purpose branch the address and telephone number of the  
19 licensee's licensed location.

20 (e) No other business shall be conducted at the site of the  
21 limited purpose branch unless authorized by the Director.

22 (f) The Director shall make and enforce reasonable rules  
23 for the conduct of a limited purpose branch.

24 (g) A limited purpose branch may not be located in ~~within~~  
25 ~~1,000 feet of~~ a facility operated by an inter-track wagering  
26 licensee or an organization licensee subject to the Illinois

1 Horse Racing Act of 1975, on a riverboat, in a casino, or in an  
2 electronic gaming facility subject to the Illinois Riverboat  
3 Gambling Act, or within 1,000 feet of any such ~~the~~ location ~~at~~  
4 ~~which the riverboat docks.~~

5 (Source: P.A. 90-437, eff. 1-1-98.)

6 Section 90-35. The Illinois Horse Racing Act of 1975 is  
7 amended by changing Sections 1.2, 1.3, 3.071, 3.077, 3.12,  
8 3.20, 3.22, 3.23, 4, 5, 6, 7, 9, 20, 25, 26, 26.1, 27, 28.1, 30,  
9 30.5, 31, 36, 42, 45, and 54.5 and adding Sections 2.5, 3.24,  
10 3.25, 3.26, 3.27, 3.28, 3.29, 6.5, 12.5, 21.5, 31.2, 31.3,  
11 34.3, 56, and 57 as follows:

12 (230 ILCS 5/1.2)

13 Sec. 1.2. Legislative intent. This Act is intended to  
14 benefit the people of the State of Illinois by encouraging the  
15 breeding and production of race horses, assisting economic  
16 development, and promoting Illinois tourism. The General  
17 Assembly finds and declares it to be the public policy of the  
18 State of Illinois to:

19 (a) support and enhance Illinois' horse racing industry,  
20 which is a significant component within the agribusiness  
21 industry;

22 (b) ensure that Illinois' horse racing industry remains  
23 competitive with neighboring states;

24 (c) stimulate growth within Illinois' horse racing

1 industry, thereby encouraging new investment and development  
2 to produce additional tax revenues and to create additional  
3 jobs;

4 (d) promote the further growth of tourism;

5 (e) encourage the breeding of thoroughbred and  
6 standardbred horses in this State; and

7 (f) ensure that public confidence and trust in the  
8 credibility and integrity of racing operations and the  
9 regulatory process is maintained.

10 (Source: P.A. 91-40, eff. 6-25-99.)

11 (230 ILCS 5/1.3)

12 Sec. 1.3. Legislative findings.

13 (a) The General Assembly finds that the Illinois gaming  
14 industry is a single industry consisting of horse racing, ~~and~~  
15 riverboat and casino gambling, and electronic gaming. Reports  
16 issued by the Economic and Fiscal Commission (now Commission on  
17 Government Forecasting and Accountability) in 1992, 1994, and  
18 1998 have found that horse racing and riverboat gambling:

19 (1) "share many of the same characteristics" and are  
20 "more alike than different";

21 (2) are planned events;

22 (3) have similar odds of winning;

23 (4) occur in similar settings; and

24 (5) compete with each other for limited gaming dollars.

25 (b) The General Assembly declares it to be the public

1 policy of this State to ensure the viability of all ~~both horse~~  
2 ~~racing and riverboat~~ aspects of the Illinois gaming industry.

3 (Source: P.A. 95-331, eff. 8-21-07.)

4 (230 ILCS 5/2.5 new)

5 Sec. 2.5. Separation from Department of Revenue. On the  
6 effective date of this amendatory Act of the 95th General  
7 Assembly, all of the powers, duties, assets, liabilities,  
8 employees, contracts, property, records, pending business, and  
9 unexpended appropriations of the Department of Revenue related  
10 to the administration and enforcement of this Act are  
11 transferred to the Illinois Racing Board.

12 The status and rights of the transferred employees, and the  
13 rights of the State of Illinois and its agencies, under the  
14 Personnel Code and applicable collective bargaining agreements  
15 or under any pension, retirement, or annuity plan are not  
16 affected (except as provided in the Illinois Pension Code) by  
17 that transfer or by any other provision of this amendatory Act  
18 of the 95th General Assembly.

19 (230 ILCS 5/3.071) (from Ch. 8, par. 37-3.071)

20 Sec. 3.071. Inter-track wagering. "Inter-track Wagering"  
21 means a legal wager on the outcome of a simultaneously  
22 televised horse race taking place at an Illinois race track  
23 placed or accepted at any location authorized to accept wagers  
24 under this Act, excluding the Illinois race track at which that

1 horse race is being conducted, and advance deposit wagering  
2 through an advance deposit wagering licensee.

3 (Source: P.A. 89-16, eff. 5-30-95.)

4 (230 ILCS 5/3.077)

5 Sec. 3.077. Non-host licensee. "Non-host licensee" means a  
6 licensee operating concurrently with a host track, but does not  
7 include an advance deposit wagering licensee.

8 (Source: P.A. 89-16, eff. 5-30-95.)

9 (230 ILCS 5/3.12) (from Ch. 8, par. 37-3.12)

10 Sec. 3.12. Pari-mutuel system of wagering. "Pari-mutuel  
11 system of wagering" means a form of wagering on the outcome of  
12 horse races in which wagers are made in various denominations  
13 on a horse or horses and all wagers for each race are pooled  
14 and held by a licensee for distribution in a manner approved by  
15 the Board. Wagers may be placed via any method or at any  
16 location authorized under this Act.

17 (Source: P.A. 89-16, eff. 5-30-95.)

18 (230 ILCS 5/3.20)

19 Sec. 3.20. Licensee. "Licensee" means an individual  
20 organization licensee, an inter-track wagering licensee, an ~~or~~  
21 inter-track wagering location licensee, or an advance deposit  
22 wagering licensee, as the context of this Act requires.

23 (Source: P.A. 89-16, eff. 5-30-95.)

1 (230 ILCS 5/3.22)

2 Sec. 3.22. Wagering facility. "Wagering facility" means  
3 any location at which a licensee, other than an advance deposit  
4 wagering licensee, may accept or receive pari-mutuel wagers  
5 under this Act.

6 (Source: P.A. 89-16, eff. 5-30-95.)

7 (230 ILCS 5/3.23)

8 Sec. 3.23. Wagering. "Wagering" means, collectively, the  
9 pari-mutuel system of wagering, inter-track wagering, ~~and~~  
10 simulcast wagering, and advance deposit wagering.

11 (Source: P.A. 89-16, eff. 5-30-95.)

12 (230 ILCS 5/3.24 new)

13 Sec. 3.24. Adjusted gross receipts. "Adjusted gross  
14 receipts" means the gross receipts from electronic gaming less  
15 winnings paid to wagerers.

16 (230 ILCS 5/3.25 new)

17 Sec. 3.25. Electronic gaming. "Electronic gaming" means  
18 slot machine gambling, video games of chance, and electronic  
19 games as defined in the Illinois Gambling Act, that is  
20 conducted at a race track pursuant to an electronic gaming  
21 license.

1 (230 ILCS 5/3.26 new)

2 Sec. 3.26. Electronic gaming license. "Electronic gaming  
3 license" means a license to conduct electronic gaming issued  
4 under Section 56.

5 (230 ILCS 5/3.27 new)

6 Sec. 3.27. Electronic gaming facility. "Electronic gaming  
7 facility" means that portion of an organization licensee's race  
8 track facility at which electronic gaming is conducted.

9 (230 ILCS 5/3.28 new)

10 Sec. 3.28. Advance deposit wagering licensee. "Advance  
11 deposit wagering licensee" means a person licensed by the Board  
12 to conduct advance deposit wagering. An advance deposit  
13 wagering licensee shall be an organization licensee or a person  
14 or third party who contracts with an organization licensee in  
15 order to conduct advance deposit wagering.

16 (230 ILCS 5/3.29 new)

17 Sec. 3.29. Advance deposit wagering. "Advance deposit  
18 wagering" means a method of pari-mutuel wagering in which an  
19 individual may establish an account, deposit money into the  
20 account, and use the account balance to pay for pari-mutuel  
21 wagering authorized by this Act. An advance deposit wager may  
22 be placed in person at a wagering facility or from any other  
23 location via a telephone-type device or any other electronic

1 means. Any person who accepts an advance deposit wager who is  
2 not licensed by the Board as an advance deposit wagering  
3 licensee shall be considered in violation of this Act and the  
4 Criminal Code of 1961. Any advance deposit wager placed in  
5 person at a wagering facility shall be deemed to have been  
6 placed at that wagering facility.

7 (230 ILCS 5/4) (from Ch. 8, par. 37-4)

8 Sec. 4. Until the effective date of this amendatory Act of  
9 the 95th General Assembly, the ~~The~~ Board shall consist of 11  
10 members to be appointed by the Governor with the advice and  
11 consent of the Senate, not more than 6 of whom shall be of the  
12 same political party, and one of whom shall be designated by  
13 the Governor to be chairman.

14 The new Board shall consist of 7 members appointed by the  
15 Governor from nominations presented to the Governor by the  
16 Nomination Panel and with the advice and consent of the Senate.  
17 Notwithstanding any provision of this Section to the contrary,  
18 the term of office of each member of the Board sitting on the  
19 effective date of this amendatory Act of the 95th General  
20 Assembly ends when all 7 members of the new Board are appointed  
21 and qualified pursuant to this amendatory Act.

22 Each member shall have a reasonable knowledge of harness or  
23 thoroughbred racing practices and procedure and of the  
24 principles of harness or thoroughbred racing and breeding and,  
25 at the time of his appointment, shall be a resident of the

1 State of Illinois and shall have resided therein for a period  
2 of at least 5 years next preceding his appointment and  
3 qualification and he shall be a qualified voter therein and not  
4 less than 25 years of age. The Board should reflect the ethnic,  
5 cultural, and geographic diversity of the State.

6 (Source: P.A. 91-798, eff. 7-9-00.)

7 (230 ILCS 5/5) (from Ch. 8, par. 37-5)

8 Sec. 5. As soon as practicable following the effective date  
9 of this amendatory Act of 1995, the Governor shall appoint,  
10 with the advice and consent of the Senate, members to the Board  
11 as follows: 3 members for terms expiring July 1, 1996; 3  
12 members for terms expiring July 1, 1998; and 3 members for  
13 terms expiring July 1, 2000. Of the 2 additional members  
14 appointed pursuant to this amendatory Act of the 91st General  
15 Assembly, the initial term of one member shall expire on July  
16 1, 2002 and the initial term of the other member shall expire  
17 on July 1, 2004. Thereafter, the terms of office of the Board  
18 members shall be 6 years. Incumbent members on the effective  
19 date of this amendatory Act of 1995 shall continue to serve  
20 only until their successors are appointed and have qualified.

21 The terms of office of the initial Board members appointed  
22 pursuant to this amendatory Act of the 95th General Assembly  
23 will commence from the effective date of this amendatory Act  
24 and run as follows, to be determined by lot: one for a term  
25 expiring July 1 of the year following confirmation, 2 for a

1 term expiring July 1 two years following confirmation, 2 for a  
2 term expiring July 1 three years following confirmation, and 2  
3 for a term expiring July 1 four years following confirmation.  
4 Upon the expiration of the foregoing terms, the successors of  
5 such members shall serve a term of 4 years and until their  
6 successors are appointed and qualified for like terms.

7 Each member of the Board shall receive \$300 per day for  
8 each day the Board meets and for each day the member conducts a  
9 hearing pursuant to Section 16 of this Act, provided that no  
10 Board member shall receive more than \$5,000 in such fees during  
11 any calendar year, or an amount set by the Compensation Review  
12 Board, whichever is greater. Members of the Board shall also be  
13 reimbursed for all actual and necessary expenses and  
14 disbursements incurred in the execution of their official  
15 duties.

16 (Source: P.A. 91-357, eff. 7-29-99; 91-798, eff. 7-9-00.)

17 (230 ILCS 5/6) (from Ch. 8, par. 37-6)

18 Sec. 6. Restrictions on Board members.

19 (a) No person shall be appointed a member of the Board or  
20 continue to be a member of the Board if the person or any  
21 member of their immediate family is a member of the Board of  
22 Directors, employee, or financially interested in any of the  
23 following: (i) any licensee or other person who has applied for  
24 racing dates to the Board, or the operations thereof including,  
25 but not limited to, concessions, data processing, track

1 maintenance, track security and pari mutuel operations,  
2 located, scheduled or doing business within the State of  
3 Illinois, (ii) any licensee or other person in any race horse  
4 competing at a meeting under the Board's jurisdiction, or (iii)  
5 any licensee under the Illinois Gambling Act. No person shall  
6 be appointed a member of the Board or continue to be a member  
7 of the Board who is (or any member of whose family is) a member  
8 of the Board of Directors of, or who is a person financially  
9 interested in, any licensee or other person who has applied for  
10 racing dates to the Board, or the operations thereof including,  
11 but not limited to, concessions, data processing, track  
12 maintenance, track security and pari-mutuel operations,  
13 located, scheduled or doing business within the State of  
14 Illinois, or in any race horse competing at a meeting under the  
15 Board's jurisdiction. No Board member shall hold any other  
16 public office for which he shall receive compensation other  
17 than necessary travel or other incidental expenses.

18 (b) No person shall be a member of the Board who is not of  
19 good moral character or who has been convicted of, or is under  
20 indictment for, a felony under the laws of Illinois or any  
21 other state, or the United States.

22 (c) No member of the Board or employee shall engage in any  
23 political activity. For the purposes of this Section,  
24 "political" means any activity in support of or in connection  
25 with any campaign for State or local elective office or any  
26 political organization, but does not include activities (i)

1 relating to the support or opposition of any executive,  
2 legislative, or administrative action (as those terms are  
3 defined in Section 2 of the Lobbyist Registration Act), (ii)  
4 relating to collective bargaining, or (iii) that are otherwise  
5 in furtherance of the person's official State duties or  
6 governmental and public service functions.

7 (d) Board members and employees may not engage in  
8 communications or any activity that may cause or have the  
9 appearance of causing a conflict of interest. A conflict of  
10 interest exists if a situation influences or creates the  
11 appearance that it may influence judgment or performance of  
12 regulatory duties and responsibilities. This prohibition shall  
13 extend to any act identified by Board action that, in the  
14 judgment of the Board, could represent the potential for or the  
15 appearance of a conflict of interest.

16 (e) Board members and employees may not accept any gift,  
17 gratuity, service, compensation, travel, lodging, or thing of  
18 value, with the exception of unsolicited items of an incidental  
19 nature, from any person, corporation, or entity doing business  
20 with the Board.

21 (f) A Board member or employee shall not use or attempt to  
22 use his or her official position to secure, or attempt to  
23 secure, any privilege, advantage, favor, or influence for  
24 himself or herself or others. No Board member or employee of  
25 the Board may attempt, in any way, to influence any person or  
26 corporation doing business with the Authority or any officer,

1 agent, or employee thereof to hire or contract with any person  
2 or corporation for any compensated work.

3 (Source: P.A. 89-16, eff. 5-30-95.)

4 (230 ILCS 5/6.5 new)

5 Sec. 6.5. Ex parte communications.

6 (a) For the purpose of this Section:

7 "Ex parte communication" means any written or oral  
8 communication by any person that imparts or requests material  
9 information or makes a material argument regarding potential  
10 action concerning regulatory, quasi regulatory, investment, or  
11 licensing matters pending before or under consideration by the  
12 Illinois Racing Board. "Ex parte communication" does not  
13 include the following: (i) statements by a person publicly made  
14 in a public forum; (ii) statements regarding matters of  
15 procedure and practice, such as format, the number of copies  
16 required, the manner of filing, and the status of a matter;  
17 (iii) statements regarding recommendation for pending or  
18 approved legislation; (iv) statements made by a State employee  
19 of the agency to the agency head or other employees of that  
20 agency.

21 "Ex parte communication" does not include conversations  
22 concerning qualifications to serve on the Board between members  
23 of the Senate and nonmembers for the Board that occur in the  
24 time period between nomination by the Governor and either  
25 confirmation or rejection by the Senate.

1       "Interested party" means a person or entity whose rights,  
2 privileges, or interests are the subject of or are directly  
3 affected by a regulatory, quasi-adjudicatory, investment, or  
4 licensing matter of the Board.

5       (b) A constitutional officer, a member of the General  
6 Assembly, a special government agent as that term is defined in  
7 Section 4A-101 of the Illinois Governmental Ethics Act, a  
8 director, secretary, or other employee of the executive branch  
9 of the State, an employee of the legislative branch of the  
10 State, or an interested party may not engage in any ex parte  
11 communication with a member of the Board or an employee. A  
12 member of the Board or an employee must immediately report any  
13 ex parte communication to the Board's Ethics Officer. A  
14 violation of this subsection (b) is a Class 4 felony.

15       (c) A constitutional officer, a member of the General  
16 Assembly, a special government agent as that term is defined in  
17 Section 4A-101 of the Illinois Governmental Ethics Act, a  
18 director, secretary, or other employee of the executive branch  
19 of the State, an employee of the legislative branch of the  
20 State, or an interested party may not engage in any ex parte  
21 communication with a nominee for a position on the Board. A  
22 person is deemed a nominee once he or she has submitted  
23 information to the Nomination Panel. A nominee must immediately  
24 report any ex parte communication to the Board's Ethics  
25 Officer. A violation of this subsection (c) is a Class 4  
26 felony.

1       (d) Notwithstanding any provision of this Section, if a  
2       State constitutional officer or member of the General Assembly  
3       or his or her designee determines that potential or actual  
4       Illinois Gaming Board, Illinois Racing Board, or Director of  
5       Gaming Enforcement business would affect the health, safety,  
6       and welfare of the people of the State of Illinois, then the  
7       State constitutional officer or member of the General Assembly  
8       may submit questions or comments by written medium to the  
9       Chairman of the Illinois Gaming Board, Chairman of the Illinois  
10       Racing Board, and Director of Gaming Enforcement. Upon receipt  
11       of the message or question, the Chairman or Director shall  
12       submit the message or question to the entire board for  
13       consideration.

14           (230 ILCS 5/7) (from Ch. 8, par. 37-7)

15           Sec. 7. Vacancies in the Board shall be filled for the  
16       unexpired term in like manner as original appointments. Each  
17       member of the Board shall be eligible for reappointment,  
18       subject to the nomination process of the Nomination Panel, by  
19       ~~in the discretion of~~ the Governor with the advice and consent  
20       of the Senate.

21       (Source: P.A. 79-1185.)

22           (230 ILCS 5/9) (from Ch. 8, par. 37-9)

23           Sec. 9. The Board shall have all powers necessary and  
24       proper to fully and effectively execute the provisions of this

1 Act, including, but not limited to, the following:

2 (a) The Board is vested with jurisdiction and supervision  
3 over all race meetings in this State, over all licensees doing  
4 business in this State, over all occupation licensees, and over  
5 all persons on the facilities of any licensee. Such  
6 jurisdiction shall include the power to issue licenses to the  
7 Illinois Department of Agriculture authorizing the pari-mutuel  
8 system of wagering on harness and Quarter Horse races held (1)  
9 at the Illinois State Fair in Sangamon County, and (2) at the  
10 DuQuoin State Fair in Perry County. The jurisdiction of the  
11 Board shall also include the power to issue licenses to county  
12 fairs which are eligible to receive funds pursuant to the  
13 Agricultural Fair Act, as now or hereafter amended, or their  
14 agents, authorizing the pari-mutuel system of wagering on horse  
15 races conducted at the county fairs receiving such licenses.  
16 Such licenses shall be governed by subsection (n) of this  
17 Section.

18 Upon application, the Board shall issue a license to the  
19 Illinois Department of Agriculture to conduct harness and  
20 Quarter Horse races at the Illinois State Fair and at the  
21 DuQuoin State Fairgrounds during the scheduled dates of each  
22 fair. The Board shall not require and the Department of  
23 Agriculture shall be exempt from the requirements of Sections  
24 15.3, 18 and 19, paragraphs (a) (2), (b), (c), (d), (e), (e-5),  
25 (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24  
26 and 25. The Board and the Department of Agriculture may extend

1 any or all of these exemptions to any contractor or agent  
2 engaged by the Department of Agriculture to conduct its race  
3 meetings when the Board determines that this would best serve  
4 the public interest and the interest of horse racing.

5 Notwithstanding any provision of law to the contrary, it  
6 shall be lawful for any licensee to operate pari-mutuel  
7 wagering or contract with the Department of Agriculture to  
8 operate pari-mutuel wagering at the DuQuoin State Fairgrounds  
9 or for the Department to enter into contracts with a licensee,  
10 employ its owners, employees or agents and employ such other  
11 occupation licensees as the Department deems necessary in  
12 connection with race meetings and wagerings.

13 (b) The Board is vested with the full power to promulgate  
14 reasonable rules and regulations for the purpose of  
15 administering the provisions of this Act and to prescribe  
16 reasonable rules, regulations and conditions under which all  
17 horse race meetings or wagering in the State shall be  
18 conducted. Such reasonable rules and regulations are to provide  
19 for the prevention of practices detrimental to the public  
20 interest and to promote the best interests of horse racing and  
21 to impose penalties for violations thereof.

22 (c) The Board, and any person or persons to whom it  
23 delegates this power, is vested with the power to enter the  
24 facilities and other places of business of any licensee to  
25 determine whether there has been compliance with the provisions  
26 of this Act and its rules and regulations.

1           (d) The ~~Board, and any person or persons to whom it~~  
2 ~~delegates this power, is vested with the authority to~~  
3 ~~investigate alleged violations of the provisions of this Act,~~  
4 ~~its reasonable rules and regulations, orders and final~~  
5 ~~decisions;~~ the Board shall take appropriate disciplinary  
6 action against any licensee or occupation licensee for  
7 violation thereof or institute appropriate legal action for the  
8 enforcement thereof.

9           (e) The Board, the Office of Gaming Enforcement, and any  
10 person or persons to whom it delegates this power, may eject or  
11 exclude from any race meeting or the facilities of any  
12 licensee, or any part thereof, any occupation licensee or any  
13 other individual whose conduct or reputation is such that his  
14 or her presence on those facilities may, in the opinion of the  
15 Board, call into question the honesty and integrity of horse  
16 racing or wagering or interfere with the orderly conduct of  
17 horse racing or wagering; provided, however, that no person  
18 shall be excluded or ejected from the facilities of any  
19 licensee solely on the grounds of race, color, creed, national  
20 origin, ancestry, or sex. The power to eject or exclude an  
21 occupation licensee or other individual may be exercised for  
22 just cause by the licensee, ~~or~~ the Board, or the Office of  
23 Gaming Enforcement, subject to subsequent hearing by the Board  
24 as to the propriety of said exclusion.

25           (f) The Board is vested with the power to acquire,  
26 establish, maintain and operate (or provide by contract to

1 maintain and operate) testing laboratories and related  
2 facilities, for the purpose of conducting saliva, blood, urine  
3 and other tests on the horses run or to be run in any horse race  
4 meeting and to purchase all equipment and supplies deemed  
5 necessary or desirable in connection with any such testing  
6 laboratories and related facilities and all such tests.

7 (f-5) The Department of Agriculture is vested with the  
8 power to acquire, establish, maintain, and operate (or provide  
9 by contract to maintain and operate) testing laboratories and  
10 related facilities for the purpose of conducting saliva, blood,  
11 urine, and other tests on the horses run or to be run in any  
12 county fair horse race meeting and of purchasing all equipment  
13 and supplies deemed necessary or desirable in connection with  
14 any such testing laboratories and related facilities and all  
15 such tests in any county fair horse race.

16 (g) The Board may require that the records, including  
17 financial or other statements of any licensee or any person  
18 affiliated with the licensee who is involved directly or  
19 indirectly in the activities of any licensee as regulated under  
20 this Act to the extent that those financial or other statements  
21 relate to such activities be kept in such manner as prescribed  
22 by the Board, and that Board employees shall have access to  
23 those records during reasonable business hours. Within 120 days  
24 of the end of its fiscal year, each licensee shall transmit to  
25 the Board an audit of the financial transactions and condition  
26 of the licensee's total operations. All audits shall be

1 conducted by certified public accountants. Each certified  
2 public accountant must be registered in the State of Illinois  
3 under the Illinois Public Accounting Act. The compensation for  
4 each certified public accountant shall be paid directly by the  
5 licensee to the certified public accountant. A licensee shall  
6 also submit any other financial or related information the  
7 Board deems necessary to effectively administer this Act and  
8 all rules, regulations, and final decisions promulgated under  
9 this Act.

10 (h) The Board shall name and appoint in the manner provided  
11 by the rules and regulations of the Board: an Executive  
12 Director; a State director of mutuels; State veterinarians and  
13 representatives to take saliva, blood, urine and other tests on  
14 horses; licensing personnel; revenue inspectors; and State  
15 seasonal employees (excluding admission ticket sellers and  
16 mutuel clerks). All of those named and appointed as provided in  
17 this subsection shall serve during the pleasure of the Board;  
18 their compensation shall be determined by the Board and be paid  
19 in the same manner as other employees of the Board under this  
20 Act.

21 (i) The Board shall require that there shall be 3 stewards  
22 at each horse race meeting, at least 2 of whom shall be named  
23 and appointed by the Board. Stewards appointed or approved by  
24 the Board, while performing duties required by this Act or by  
25 the Board, shall be entitled to the same rights and immunities  
26 as granted to Board members and Board employees in Section 10

1 of this Act.

2 (j) The Board may discharge any Board employee who fails or  
3 refuses for any reason to comply with the rules and regulations  
4 of the Board, or who, in the opinion of the Board, is guilty of  
5 fraud, dishonesty or who is proven to be incompetent. The Board  
6 shall have no right or power to determine who shall be  
7 officers, directors or employees of any licensee, or their  
8 salaries except the Board may, by rule, require that all or any  
9 officials or employees in charge of or whose duties relate to  
10 the actual running of races be approved by the Board.

11 (k) The Board is vested with the power to appoint delegates  
12 to execute any of the powers granted to it under this Section  
13 for the purpose of administering this Act and any rules or  
14 regulations promulgated in accordance with this Act.

15 (l) The Board is vested with the power to impose civil  
16 penalties of up to \$5,000 against an individual and up to  
17 \$10,000 against a licensee for each violation of any provision  
18 of this Act, any rules adopted by the Board, any order of the  
19 Board or any other action which, in the Board's discretion, is  
20 a detriment or impediment to horse racing or wagering.

21 (m) The Board is vested with the power to prescribe a form  
22 to be used by licensees as an application for employment for  
23 employees of each licensee.

24 (n) The Board shall have the power to issue a license to  
25 any county fair, or its agent, authorizing the conduct of the  
26 pari-mutuel system of wagering. The Board is vested with the

1 full power to promulgate reasonable rules, regulations and  
2 conditions under which all horse race meetings licensed  
3 pursuant to this subsection shall be held and conducted,  
4 including rules, regulations and conditions for the conduct of  
5 the pari-mutuel system of wagering. The rules, regulations and  
6 conditions shall provide for the prevention of practices  
7 detrimental to the public interest and for the best interests  
8 of horse racing, and shall prescribe penalties for violations  
9 thereof. Any authority granted the Board under this Act shall  
10 extend to its jurisdiction and supervision over county fairs,  
11 or their agents, licensed pursuant to this subsection. However,  
12 the Board may waive any provision of this Act or its rules or  
13 regulations which would otherwise apply to such county fairs or  
14 their agents.

15 (o) Whenever the Board is authorized or required by law to  
16 consider some aspect of criminal history record information for  
17 the purpose of carrying out its statutory powers and  
18 responsibilities, then, upon request and payment of fees in  
19 conformance with the requirements of Section 2605-400 of the  
20 Department of State Police Law (20 ILCS 2605/2605-400), the  
21 Department of State Police is authorized to furnish, pursuant  
22 to positive identification, such information contained in  
23 State files as is necessary to fulfill the request.

24 (p) To insure the convenience, comfort, and wagering  
25 accessibility of race track patrons, to provide for the  
26 maximization of State revenue, and to generate increases in

1     purse allotments to the horsemen, the Board shall require any  
2     licensee to staff the pari-mutuel department with adequate  
3     personnel.

4     (Source: P.A. 91-239, eff. 1-1-00.)

5             (230 ILCS 5/12.5 new)

6             Sec. 12.5. Contractor disclosure of political  
7             contributions.

8             (a) As used in this Section:

9             "Contracts" means any agreement for services or goods for a  
10            period to exceed one year or with an annual value of at least  
11            \$10,000.

12            "Contribution" means contribution as defined in this Act.

13            "Affiliated person" means (i) any person with any ownership  
14            interest or distributive share of the bidding or contracting  
15            entity in excess of 1%, (ii) executive employees of the bidding  
16            or contracting entity, and (iii) the spouse and minor children  
17            of any such persons.

18            "Affiliated entity" means (i) any parent or subsidiary of  
19            the bidding or contracting entity, (ii) any member of the same  
20            unitary business group, or (iii) any political committee for  
21            which the bidding or contracting entity is the sponsoring  
22            entity.

23            (b) A bidder, respondent, offeror, or contractor for  
24            contracts with a licensee shall disclose all political  
25            contributions of the bidder, respondent, offeror, or

1 contractor and any affiliated person or entity. Such disclosure  
2 must accompany any contract. The disclosure must be submitted  
3 to the Board with a copy of the contract prior to Board  
4 approval of the contract. The disclosure of each successful  
5 bidder, respondent, or offeror shall become part of the  
6 publicly available record.

7 (c) Disclosure by the bidder, respondent, offeror, or  
8 contractor shall include at least the names and addresses of  
9 the contributors and the dollar amounts of any contributions to  
10 any political committee made within the previous 2 years.

11 (d) The Board shall refuse to approve any contract that  
12 does not include the required disclosure. The Board must  
13 include the disclosure on its website.

14 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

15 Sec. 20. (a) Any person desiring to conduct a horse race  
16 meeting may apply to the Board for an organization license. The  
17 application shall be made on a form prescribed and furnished by  
18 the Board. The application shall specify:

19 (1) the dates on which it intends to conduct the horse  
20 race meeting, which dates shall be provided under Section  
21 21;

22 (2) the hours of each racing day between which it  
23 intends to hold or conduct horse racing at such meeting;

24 (3) the location where it proposes to conduct the  
25 meeting; and

1           (4) any other information the Board may reasonably  
2           require.

3           (b) A separate application for an organization license  
4           shall be filed for each horse race meeting which such person  
5           proposes to hold. Any such application, if made by an  
6           individual, or by any individual as trustee, shall be signed  
7           and verified under oath by such individual. If made by  
8           individuals or a partnership, it shall be signed and verified  
9           under oath by at least 2 of such individuals or members of such  
10          partnership as the case may be. If made by an association,  
11          corporation, corporate trustee or any other entity, it shall be  
12          signed by the president and attested by the secretary or  
13          assistant secretary under the seal of such association, trust  
14          or corporation if it has a seal, and shall also be verified  
15          under oath by one of the signing officers.

16          (c) The application shall specify the name of the persons,  
17          association, trust, or corporation making such application and  
18          the post office address of the applicant; if the applicant is a  
19          trustee, the names and addresses of the beneficiaries; if a  
20          corporation, the names and post office addresses of all  
21          officers, stockholders and directors; or if such stockholders  
22          hold stock as a nominee or fiduciary, the names and post office  
23          addresses of these persons, partnerships, corporations, or  
24          trusts who are the beneficial owners thereof or who are  
25          beneficially interested therein; and if a partnership, the  
26          names and post office addresses of all partners, general or

1 limited; if the applicant is a corporation, the name of the  
2 state of its incorporation shall be specified.

3 (d) The applicant shall execute and file with the Board a  
4 good faith affirmative action plan to recruit, train, and  
5 upgrade minorities in all classifications within the  
6 association.

7 (e) With such application there shall be delivered to the  
8 Board a certified check or bank draft payable to the order of  
9 the Board for an amount equal to \$1,000. All applications for  
10 the issuance of an organization license shall be filed with the  
11 Board before August 1 of the year prior to the year for which  
12 application is made and shall be acted upon by the Board at a  
13 meeting to be held on such date as shall be fixed by the Board  
14 during the last 15 days of September of such prior year. At  
15 such meeting, the Board shall announce the award of the racing  
16 meets, live racing schedule, and designation of host track to  
17 the applicants and its approval or disapproval of each  
18 application. No announcement shall be considered binding until  
19 a formal order is executed by the Board, which shall be  
20 executed no later than October 15 of that prior year. Absent  
21 the agreement of the affected organization licensees, the Board  
22 shall not grant overlapping race meetings to 2 or more tracks  
23 that are within 100 miles of each other to conduct the  
24 thoroughbred racing.

25 (e-1) In awarding racing dates for calendar year 2008 and  
26 thereafter, the Board shall award at least 625 racing days. In

1 awarding racing dates under this subsection (e-1), the Board  
2 shall have the discretion to allocate those racing dates among  
3 organization licensees. Of the total racing days awarded, the  
4 Board must reserve an amount of racing days to standardbred  
5 races in an amount equal to 90% of the amount of days awarded  
6 to standardbred races in calendar year 2005. Each racing day  
7 awarded for standardbred races must be comprised of at least 12  
8 races, with not less than 8 horses competing per race.

9 (e-2) In each county in which an organization licensee is  
10 located, the Board shall award a minimum total of 25  
11 standardbred racing dates to one or more organization  
12 licensees.

13 (e-3) The Board may waive the requirements of subsection  
14 (e-1) only if a lesser schedule of live racing is appropriate  
15 because of (A) weather or unsafe track conditions due to acts  
16 of God; (B) an agreement between the organization licensee and  
17 the associations representing the largest number of owners,  
18 trainers, jockeys, or standardbred drivers who race horses at  
19 that organization licensee's racing meeting; or (C) a finding  
20 by the Board of extraordinary circumstances and that it was in  
21 the best interest of the public and the sport to conduct fewer  
22 days of live racing.

23 (e-4) For each calendar year after 2007 in which an  
24 electronic gaming licensee requests a number of racing days  
25 under its organization license that is less than 90% of the  
26 number of days of live racing it was awarded in 2007, the

1 electronic gaming licensee may not conduct electronic gaming.

2 (e-5) In reviewing an application for the purpose of  
3 granting an organization license consistent with the best  
4 interests of the public and the sport of horse racing, the  
5 Board shall consider:

6 (1) the character, reputation, experience, and  
7 financial integrity of the applicant and of any other  
8 separate person that either:

9 (i) controls the applicant, directly or  
10 indirectly, or

11 (ii) is controlled, directly or indirectly, by  
12 that applicant or by a person who controls, directly or  
13 indirectly, that applicant;

14 (2) the applicant's facilities or proposed facilities  
15 for conducting horse racing;

16 (3) the total revenue without regard to Section 32.1 to  
17 be derived by the State and horsemen from the applicant's  
18 conducting a race meeting;

19 (4) the applicant's good faith affirmative action plan  
20 to recruit, train, and upgrade minorities in all employment  
21 classifications;

22 (5) the applicant's financial ability to purchase and  
23 maintain adequate liability and casualty insurance;

24 (6) the applicant's proposed and prior year's  
25 promotional and marketing activities and expenditures of  
26 the applicant associated with those activities;

1           (7) an agreement, if any, among organization licensees  
2           as provided in subsection (b) of Section 21 of this Act;  
3           and

4           (8) the extent to which the applicant exceeds or meets  
5           other standards for the issuance of an organization license  
6           that the Board shall adopt by rule.

7           In granting organization licenses and allocating dates for  
8           horse race meetings, the Board shall have discretion to  
9           determine an overall schedule, including required simulcasts  
10          of Illinois races by host tracks that will, in its judgment, be  
11          conducive to the best interests of the public and the sport of  
12          horse racing.

13          (e-10) The Illinois Administrative Procedure Act shall  
14          apply to administrative procedures of the Board under this Act  
15          for the granting of an organization license, except that (1)  
16          notwithstanding the provisions of subsection (b) of Section  
17          10-40 of the Illinois Administrative Procedure Act regarding  
18          cross-examination, the Board may prescribe rules limiting the  
19          right of an applicant or participant in any proceeding to award  
20          an organization license to conduct cross-examination of  
21          witnesses at that proceeding where that cross-examination  
22          would unduly obstruct the timely award of an organization  
23          license under subsection (e) of Section 20 of this Act; (2) the  
24          provisions of Section 10-45 of the Illinois Administrative  
25          Procedure Act regarding proposals for decision are excluded  
26          under this Act; (3) notwithstanding the provisions of

1 subsection (a) of Section 10-60 of the Illinois Administrative  
2 Procedure Act regarding ex parte communications, the Board may  
3 prescribe rules allowing ex parte communications with  
4 applicants or participants in a proceeding to award an  
5 organization license where conducting those communications  
6 would be in the best interest of racing, provided all those  
7 communications are made part of the record of that proceeding  
8 pursuant to subsection (c) of Section 10-60 of the Illinois  
9 Administrative Procedure Act; (4) the provisions of Section 14a  
10 of this Act and the rules of the Board promulgated under that  
11 Section shall apply instead of the provisions of Article 10 of  
12 the Illinois Administrative Procedure Act regarding  
13 administrative law judges; and (5) the provisions of subsection  
14 (d) of Section 10-65 of the Illinois Administrative Procedure  
15 Act that prevent summary suspension of a license pending  
16 revocation or other action shall not apply.

17 (f) The Board may allot racing dates to an organization  
18 licensee for more than one calendar year but for no more than 3  
19 successive calendar years in advance, provided that the Board  
20 shall review such allotment for more than one calendar year  
21 prior to each year for which such allotment has been made. The  
22 granting of an organization license to a person constitutes a  
23 privilege to conduct a horse race meeting under the provisions  
24 of this Act, and no person granted an organization license  
25 shall be deemed to have a vested interest, property right, or  
26 future expectation to receive an organization license in any

1 subsequent year as a result of the granting of an organization  
2 license. Organization licenses shall be subject to revocation  
3 if the organization licensee has violated any provision of this  
4 Act or the rules and regulations promulgated under this Act or  
5 has been convicted of a crime or has failed to disclose or has  
6 stated falsely any information called for in the application  
7 for an organization license. Any organization license  
8 revocation proceeding shall be in accordance with Section 16  
9 regarding suspension and revocation of occupation licenses.

10 (f-5) If, (i) an applicant does not file an acceptance of  
11 the racing dates awarded by the Board as required under part  
12 (1) of subsection (h) of this Section 20, or (ii) an  
13 organization licensee has its license suspended or revoked  
14 under this Act, the Board, upon conducting an emergency hearing  
15 as provided for in this Act, may reaward on an emergency basis  
16 pursuant to rules established by the Board, racing dates not  
17 accepted or the racing dates associated with any suspension or  
18 revocation period to one or more organization licensees, new  
19 applicants, or any combination thereof, upon terms and  
20 conditions that the Board determines are in the best interest  
21 of racing, provided, the organization licensees or new  
22 applicants receiving the awarded racing dates file an  
23 acceptance of those reawarded racing dates as required under  
24 paragraph (1) of subsection (h) of this Section 20 and comply  
25 with the other provisions of this Act. The Illinois  
26 Administrative Procedures Act shall not apply to the

1 administrative procedures of the Board in conducting the  
2 emergency hearing and the reallocation of racing dates on an  
3 emergency basis.

4 (g) (Blank).

5 (h) The Board shall send the applicant a copy of its  
6 formally executed order by certified mail addressed to the  
7 applicant at the address stated in his application, which  
8 notice shall be mailed within 5 days of the date the formal  
9 order is executed.

10 Each applicant notified shall, within 10 days after receipt  
11 of the final executed order of the Board awarding racing dates:

12 (1) file with the Board an acceptance of such award in  
13 the form prescribed by the Board;

14 (2) pay to the Board an additional amount equal to \$110  
15 for each racing date awarded; and

16 (3) file with the Board the bonds required in Sections  
17 21 and 25 at least 20 days prior to the first day of each  
18 race meeting.

19 Upon compliance with the provisions of paragraphs (1), (2), and  
20 (3) of this subsection (h), the applicant shall be issued an  
21 organization license.

22 If any applicant fails to comply with this Section or fails  
23 to pay the organization license fees herein provided, no  
24 organization license shall be issued to such applicant.

25 (Source: P.A. 91-40, eff. 6-25-99.)

1 (230 ILCS 5/21.5 new)

2 Sec. 21.5. License fees; deposit. Upon issuance or the  
3 first renewal of an organization license after the effective  
4 date of this amendatory Act of the 95th General Assembly, an  
5 organization licensee shall deposit \$100,000 into a fund held  
6 by the Director of the Office of Gaming Enforcement separate  
7 from State moneys. The moneys in the fund shall be used by the  
8 Director of the Office of Gaming Enforcement for the purpose of  
9 conducting any investigation concerning that licensee. Upon  
10 each subsequent renewal of an organization license, the  
11 organization licensee shall deposit the amount necessary to  
12 bring the moneys in the fund attributable to that licensee to  
13 \$100,000.

14 (230 ILCS 5/25) (from Ch. 8, par. 37-25)

15 Sec. 25. Admission fee.

16 (a) There shall be paid to the Board at such time or times  
17 as it shall prescribe, the sum of fifteen cents (15¢) for each  
18 person entering the grounds or enclosure of each organization  
19 licensee and inter-track wagering licensee upon a ticket of  
20 admission except as provided in subsection (b) of this Section  
21 and subsection (g) of Section 27 of this Act. If tickets are  
22 issued for more than one day then the sum of fifteen cents  
23 (15¢) shall be paid for each person using such ticket on each  
24 day that the same shall be used. Provided, however, that no  
25 charge shall be made on tickets of admission issued to and in

1 the name of directors, officers, agents or employees of the  
2 organization licensee, or inter-track wagering licensee, or to  
3 owners, trainers, jockeys, drivers and their employees or to  
4 any person or persons entering the grounds or enclosure for the  
5 transaction of business in connection with such race meeting.  
6 The organization licensee or inter-track wagering licensee  
7 may, if it desires, collect such amount from each ticket holder  
8 in addition to the amount or amounts charged for such ticket of  
9 admission.

10 Accurate records and books shall at all times be kept and  
11 maintained by the organization licensees and inter-track  
12 wagering licensees showing the admission tickets issued and  
13 used on each racing day and the attendance thereat of each  
14 horse racing meeting. The Board or its duly authorized  
15 representative or representatives shall at all reasonable  
16 times have access to the admission records of any organization  
17 licensee and inter-track wagering licensee for the purpose of  
18 examining and checking the same and ascertaining whether or not  
19 the proper amount has been or is being paid the State of  
20 Illinois as herein provided. The Board shall also require,  
21 before issuing any license, that the licensee shall execute and  
22 deliver to it a bond, payable to the State of Illinois, in such  
23 sum as it shall determine, not, however, in excess of fifty  
24 thousand dollars (\$50,000), with a surety or sureties to be  
25 approved by it, conditioned for the payment of all sums due and  
26 payable or collected by it under this Section upon admission

1 fees received for any particular racing meetings. The Board may  
2 also from time to time require sworn statements of the number  
3 or numbers of such admissions and may prescribe blanks upon  
4 which such reports shall be made. Any organization licensee or  
5 inter-track wagering licensee failing or refusing to pay the  
6 amount found to be due as herein provided, shall be deemed  
7 guilty of a business offense and upon conviction shall be  
8 punished by a fine of not more than five thousand dollars  
9 (\$5,000) in addition to the amount due from such organization  
10 licensee or inter-track wagering licensee as herein provided.  
11 All fines paid into court by an organization licensee or  
12 inter-track wagering licensee found guilty of violating this  
13 Section shall be transmitted and paid over by the clerk of the  
14 court to the Board.

15 (b) A person who exits the grounds or enclosure of each  
16 organization licensee and inter-track wagering licensee and  
17 reenters such grounds or enclosure within the same day shall be  
18 subject to only the initial admissions tax.

19 (Source: P.A. 88-495; 89-16, eff. 5-30-95.)

20 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

21 Sec. 26. Wagering.

22 (a) Any licensee may conduct and supervise the pari-mutuel  
23 system of wagering, as defined in Section 3.12 of this Act, on  
24 horse races conducted by an Illinois organization licensee or  
25 conducted at a racetrack located in another state or country

1 and televised in Illinois in accordance with subsection (g) of  
2 Section 26 of this Act. Subject to the prior consent of the  
3 Board, licensees may supplement any pari-mutuel pool in order  
4 to guarantee a minimum distribution. Such pari-mutuel method of  
5 wagering shall not, under any circumstances if conducted under  
6 the provisions of this Act, be held or construed to be  
7 unlawful, other statutes of this State to the contrary  
8 notwithstanding. Subject to rules for advance wagering  
9 promulgated by the Board, any licensee may accept wagers in  
10 advance of the day of the race wagered upon occurs.

11 (b) Except as otherwise provided in Section 56, no other  
12 method of betting, pool making, wagering or gambling shall be  
13 used or permitted by the licensee. Each licensee may retain,  
14 subject to the payment of all applicable taxes and purses, an  
15 amount not to exceed 17% of all money wagered under subsection  
16 (a) of this Section, except as may otherwise be permitted under  
17 this Act.

18 (b-5) An individual may place a wager under the pari-mutuel  
19 system from any licensed location authorized under this Act  
20 provided that wager is electronically recorded in the manner  
21 described in Section 3.12 of this Act. Any wager made  
22 electronically by an individual while physically on the  
23 premises of a licensee shall be deemed to have been made at the  
24 premises of that licensee.

25 (c) Until January 1, 2000, the sum held by any licensee for  
26 payment of outstanding pari-mutuel tickets, if unclaimed prior

1 to December 31 of the next year, shall be retained by the  
2 licensee for payment of such tickets until that date. Within 10  
3 days thereafter, the balance of such sum remaining unclaimed,  
4 less any uncashed supplements contributed by such licensee for  
5 the purpose of guaranteeing minimum distributions of any  
6 pari-mutuel pool, shall be paid to the Illinois Veterans'  
7 Rehabilitation Fund of the State treasury, except as provided  
8 in subsection (g) of Section 27 of this Act.

9 (c-5) Beginning January 1, 2000, the sum held by any  
10 licensee for payment of outstanding pari-mutuel tickets, if  
11 unclaimed prior to December 31 of the next year, shall be  
12 retained by the licensee for payment of such tickets until that  
13 date; except that the balance of the sum of all outstanding  
14 pari-mutuel tickets generated from simulcast wagering by an  
15 organization licensee located in Madison County or any licensee  
16 that derives its license from that organization licensee shall  
17 be evenly distributed between the organization licensee and the  
18 purse account of the organization licensee. Additionally, the  
19 balance of the sum of all outstanding pari-mutuel tickets  
20 generated from inter-track wagering from an organization  
21 licensee located in Madison County shall be evenly distributed  
22 between the purse account of the organization licensee from  
23 which the inter-track wagering licensee and the inter-track  
24 wagering location licensee derive their licenses and the  
25 organization licensee. Within 10 days thereafter, the balance  
26 of such sum remaining unclaimed, less any uncashed supplements

1 contributed by such licensee for the purpose of guaranteeing  
2 minimum distributions of any pari-mutuel pool, shall be evenly  
3 distributed to the purse account of the organization licensee  
4 and the organization licensee.

5 (d) A pari-mutuel ticket shall be honored until December 31  
6 of the next calendar year, and the licensee shall pay the same  
7 and may charge the amount thereof against unpaid money  
8 similarly accumulated on account of pari-mutuel tickets not  
9 presented for payment.

10 (e) No licensee shall knowingly permit any minor, other  
11 than an employee of such licensee or an owner, trainer, jockey,  
12 driver, or employee thereof, to be admitted during a racing  
13 program unless accompanied by a parent or guardian, or any  
14 minor to be a patron of the pari-mutuel system of wagering  
15 conducted or supervised by it. The admission of any  
16 unaccompanied minor, other than an employee of the licensee or  
17 an owner, trainer, jockey, driver, or employee thereof at a  
18 race track is a Class C misdemeanor.

19 (f) Notwithstanding the other provisions of this Act, an  
20 organization licensee may contract with an entity in another  
21 state or country to permit any legal wagering entity in another  
22 state or country to accept wagers solely within such other  
23 state or country on races conducted by the organization  
24 licensee in this State. Beginning January 1, 2000, these wagers  
25 shall not be subject to State taxation. Until January 1, 2000,  
26 when the out-of-State entity conducts a pari-mutuel pool

1 separate from the organization licensee, a privilege tax equal  
2 to 7 1/2% of all monies received by the organization licensee  
3 from entities in other states or countries pursuant to such  
4 contracts is imposed on the organization licensee, and such  
5 privilege tax shall be remitted to the Department of Revenue  
6 within 48 hours of receipt of the moneys from the simulcast.  
7 When the out-of-State entity conducts a combined pari-mutuel  
8 pool with the organization licensee, the tax shall be 10% of  
9 all monies received by the organization licensee with 25% of  
10 the receipts from this 10% tax to be distributed to the county  
11 in which the race was conducted.

12 An organization licensee may permit one or more of its  
13 races to be utilized for pari-mutuel wagering at one or more  
14 locations in other states and may transmit audio and visual  
15 signals of races the organization licensee conducts to one or  
16 more locations outside the State or country and may also permit  
17 pari-mutuel pools in other states or countries to be combined  
18 with its gross or net wagering pools or with wagering pools  
19 established by other states.

20 (g) A host track may accept interstate simulcast wagers on  
21 horse races conducted in other states or countries and shall  
22 control the number of signals and types of breeds of racing in  
23 its simulcast program, subject to the disapproval of the Board.  
24 The Board may prohibit a simulcast program only if it finds  
25 that the simulcast program is clearly adverse to the integrity  
26 of racing. The host track simulcast program shall include the

1 signal of live racing of all organization licensees. All  
2 non-host licensees shall carry the host track simulcast program  
3 and accept wagers on all races included as part of the  
4 simulcast program upon which wagering is permitted. The costs  
5 and expenses of the host track and non-host licensees  
6 associated with interstate simulcast wagering, other than the  
7 interstate commission fee, shall be borne by the host track and  
8 all non-host licensees incurring these costs. The interstate  
9 commission fee shall not exceed 5% of Illinois handle on the  
10 interstate simulcast race or races without prior approval of  
11 the Board. The Board shall promulgate rules under which it may  
12 permit interstate commission fees in excess of 5%. The  
13 interstate commission fee and other fees charged by the sending  
14 racetrack, including, but not limited to, satellite decoder  
15 fees, shall be uniformly applied to the host track and all  
16 non-host licensees.

17 Notwithstanding any other provision of this Act and with  
18 the consent of the horsemen association representing the  
19 largest number of owners, trainers, jockeys, or standardbred  
20 drivers who race horses at that organization licensee's racing  
21 meeting, an organization licensee may maintain a system whereby  
22 advance deposit wagering may take place or may contract with  
23 another person to carry out a system of advance deposit  
24 wagering. Any modifications or renegotiations to a contract  
25 entered into under this subsection shall also be subject to the  
26 consent of that horsemen association. All advance deposit

1 wagers placed from within Illinois must be placed through a  
2 Board-approved advance deposit wagering licensee; no other  
3 entity may accept an advance deposit wager from a person within  
4 Illinois. All advance deposit wagering is subject to any rules  
5 adopted by the Board. The Board may adopt rules necessary to  
6 regulate advance deposit wagering through the use of emergency  
7 rulemaking in accordance with Section 5-45 of the Illinois  
8 Administrative Procedure Act. The General Assembly finds that  
9 the adoption of rules to regulate advance deposit wagering is  
10 deemed an emergency and necessary for the public interest,  
11 safety, and welfare. After payment of the State pari-mutuel  
12 tax, an advance deposit wagering licensee may retain all moneys  
13 as agreed to by contract with an organization licensee. Any  
14 moneys retained by the organization licensee from advance  
15 deposit wagering, not including moneys retained by the advance  
16 deposit wagering licensee, shall be paid 50% to the  
17 organization licensee's purse account, with the purse account  
18 share for races that start on or after 6:30 a.m. but before  
19 6:30 p.m. Illinois time allocated to thoroughbred purses and  
20 the purse account share for races that start on or after 6:30  
21 p.m. but before 6:30 a.m. Illinois time allocated to  
22 standardbred purses, and 50% to the organization licensee. All  
23 breakage from advance deposit wagering shall be allocated as  
24 provided in Section 26.1. To the extent any fees from advance  
25 deposit wagering conducted in Illinois for wagers in Illinois  
26 or other states have been placed in escrow or otherwise

1 withheld from wagers pending a determination of the legality of  
2 advance deposit wagering, no action shall be brought to declare  
3 such wagers or the disbursement of any fees previously escrowed  
4 illegal.

5 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an  
6 intertrack wagering licensee other than the host track may  
7 supplement the host track simulcast program with  
8 additional simulcast races or race programs, provided that  
9 between January 1 and the third Friday in February of any  
10 year, inclusive, if no live thoroughbred racing is  
11 occurring in Illinois during this period, only  
12 thoroughbred races may be used for supplemental interstate  
13 simulcast purposes. The Board shall withhold approval for a  
14 supplemental interstate simulcast only if it finds that the  
15 simulcast is clearly adverse to the integrity of racing. A  
16 supplemental interstate simulcast may be transmitted from  
17 an intertrack wagering licensee to its affiliated non-host  
18 licensees. The interstate commission fee for a  
19 supplemental interstate simulcast shall be paid by the  
20 non-host licensee and its affiliated non-host licensees  
21 receiving the simulcast.

22 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an  
23 intertrack wagering licensee other than the host track may  
24 receive supplemental interstate simulcasts only with the  
25 consent of the host track, except when the Board finds that  
26 the simulcast is clearly adverse to the integrity of

1 racing. Consent granted under this paragraph (2) to any  
2 intertrack wagering licensee shall be deemed consent to all  
3 non-host licensees. The interstate commission fee for the  
4 supplemental interstate simulcast shall be paid by all  
5 participating non-host licensees.

6 (3) Each licensee conducting interstate simulcast  
7 wagering may retain, subject to the payment of all  
8 applicable taxes and the purses, an amount not to exceed  
9 17% of all money wagered. If any licensee conducts the  
10 pari-mutuel system wagering on races conducted at  
11 racetracks in another state or country, each such race or  
12 race program shall be considered a separate racing day for  
13 the purpose of determining the daily handle and computing  
14 the privilege tax of that daily handle as provided in  
15 subsection (a) of Section 27. Until January 1, 2000, from  
16 the sums permitted to be retained pursuant to this  
17 subsection, each intertrack wagering location licensee  
18 shall pay 1% of the pari-mutuel handle wagered on simulcast  
19 wagering to the Horse Racing Tax Allocation Fund, subject  
20 to the provisions of subparagraph (B) of paragraph (11) of  
21 subsection (h) of Section 26 of this Act.

22 (4) A licensee who receives an interstate simulcast may  
23 combine its gross or net pools with pools at the sending  
24 racetracks pursuant to rules established by the Board. All  
25 licensees combining their gross pools at a sending  
26 racetrack shall adopt the take-out percentages of the

1 sending racetrack. A licensee may also establish a separate  
2 pool and takeout structure for wagering purposes on races  
3 conducted at race tracks outside of the State of Illinois.  
4 The licensee may permit pari-mutuel wagers placed in other  
5 states or countries to be combined with its gross or net  
6 wagering pools or other wagering pools.

7 (5) After the payment of the interstate commission fee  
8 (except for the interstate commission fee on a supplemental  
9 interstate simulcast, which shall be paid by the host track  
10 and by each non-host licensee through the host-track) and  
11 all applicable State and local taxes, except as provided in  
12 subsection (g) of Section 27 of this Act, the remainder of  
13 moneys retained from simulcast wagering pursuant to this  
14 subsection (g), and Section 26.2 shall be divided as  
15 follows:

16 (A) For interstate simulcast wagers made at a host  
17 track, 50% to the host track and 50% to purses at the  
18 host track.

19 (B) For wagers placed on interstate simulcast  
20 races, supplemental simulcasts as defined in  
21 subparagraphs (1) and (2), and separately pooled races  
22 conducted outside of the State of Illinois made at a  
23 non-host licensee, 25% to the host track, 25% to the  
24 non-host licensee, and 50% to the purses at the host  
25 track.

26 (6) Notwithstanding any provision in this Act to the

1           contrary, non-host licensees who derive their licenses  
2           from a track located in a county with a population in  
3           excess of 230,000 and that borders the Mississippi River  
4           may receive supplemental interstate simulcast races at all  
5           times subject to Board approval, which shall be withheld  
6           only upon a finding that a supplemental interstate  
7           simulcast is clearly adverse to the integrity of racing.

8           (7) Notwithstanding any provision of this Act to the  
9           contrary, after payment of all applicable State and local  
10          taxes and interstate commission fees, non-host licensees  
11          who derive their licenses from a track located in a county  
12          with a population in excess of 230,000 and that borders the  
13          Mississippi River shall retain 50% of the retention from  
14          interstate simulcast wagers and shall pay 50% to purses at  
15          the track from which the non-host licensee derives its  
16          license as follows:

17                (A) Between January 1 and the third Friday in  
18                February, inclusive, if no live thoroughbred racing is  
19                occurring in Illinois during this period, when the  
20                interstate simulcast is a standardbred race, the purse  
21                share to its standardbred purse account;

22                (B) Between January 1 and the third Friday in  
23                February, inclusive, if no live thoroughbred racing is  
24                occurring in Illinois during this period, and the  
25                interstate simulcast is a thoroughbred race, the purse  
26                share to its interstate simulcast purse pool to be

1 distributed under paragraph (10) of this subsection  
2 (g);

3 (C) Between January 1 and the third Friday in  
4 February, inclusive, if live thoroughbred racing is  
5 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.  
6 the purse share from wagers made during this time  
7 period to its thoroughbred purse account and between  
8 6:30 p.m. and 6:30 a.m. the purse share from wagers  
9 made during this time period to its standardbred purse  
10 accounts;

11 (D) Between the third Saturday in February and  
12 December 31, when the interstate simulcast occurs  
13 between the hours of 6:30 a.m. and 6:30 p.m., the purse  
14 share to its thoroughbred purse account;

15 (E) Between the third Saturday in February and  
16 December 31, when the interstate simulcast occurs  
17 between the hours of 6:30 p.m. and 6:30 a.m., the purse  
18 share to its standardbred purse account.

19 (7.1) Notwithstanding any other provision of this Act  
20 to the contrary, if no standardbred racing is conducted at  
21 a racetrack located in Madison County during any calendar  
22 year beginning on or after January 1, 2002, all moneys  
23 derived by that racetrack from simulcast wagering and  
24 inter-track wagering that (1) are to be used for purses and  
25 (2) are generated between the hours of 6:30 p.m. and 6:30  
26 a.m. during that calendar year shall be paid as follows:

1           (A) If the licensee that conducts horse racing at  
2 that racetrack requests from the Board at least as many  
3 racing dates as were conducted in calendar year 2000,  
4 80% shall be paid to its thoroughbred purse account;  
5 and

6           (B) Twenty percent shall be deposited into the  
7 Illinois Colt Stakes Purse Distribution Fund and shall  
8 be paid to purses for standardbred races for Illinois  
9 conceived and foaled horses conducted at any county  
10 fairgrounds. The moneys deposited into the Fund  
11 pursuant to this subparagraph (B) shall be deposited  
12 within 2 weeks after the day they were generated, shall  
13 be in addition to and not in lieu of any other moneys  
14 paid to standardbred purses under this Act, and shall  
15 not be commingled with other moneys paid into that  
16 Fund. The moneys deposited pursuant to this  
17 subparagraph (B) shall be allocated as provided by the  
18 Department of Agriculture, with the advice and  
19 assistance of the Illinois Standardbred Breeders Fund  
20 Advisory Board.

21           (7.2) Notwithstanding any other provision of this Act  
22 to the contrary, if no thoroughbred racing is conducted at  
23 a racetrack located in Madison County during any calendar  
24 year beginning on or after January 1, 2002, all moneys  
25 derived by that racetrack from simulcast wagering and  
26 inter-track wagering that (1) are to be used for purses and

1 (2) are generated between the hours of 6:30 a.m. and 6:30  
2 p.m. during that calendar year shall be deposited as  
3 follows:

4 (A) If the licensee that conducts horse racing at  
5 that racetrack requests from the Board at least as many  
6 racing dates as were conducted in calendar year 2000,  
7 80% shall be deposited into its standardbred purse  
8 account; and

9 (B) Twenty percent shall be deposited into the  
10 Illinois Colt Stakes Purse Distribution Fund. Moneys  
11 deposited into the Illinois Colt Stakes Purse  
12 Distribution Fund pursuant to this subparagraph (B)  
13 may be used (i) at the discretion of the Department,  
14 for drug testing as authorized in Section 34.3 of this  
15 Act and for distribution to Illinois county fairs to  
16 supplement premiums offered in junior classes and (ii)  
17 by the Department of Agriculture for the purposes  
18 identified in paragraphs (2), (2.5), (4), (4.1), (6),  
19 (7), (8), and (9) of subsection (g) of Section 30,  
20 subsection (e) of Section 30.5, paragraphs (1), (2),  
21 (3), (5), and (8) of subsection (g) of Section 31, and  
22 for standardbred bonus programs for owners of horses  
23 that win multiple stakes races that are limited to  
24 Illinois conceived and foaled horses. Any balance  
25 shall be paid to Illinois conceived and foaled  
26 thoroughbred breeders' programs and to thoroughbred

1 purses for races conducted at any county fairgrounds  
2 for Illinois conceived and foaled horses at the  
3 discretion of the Department of Agriculture, with the  
4 advice and assistance of the Illinois Thoroughbred  
5 Breeders Fund Advisory Board. The moneys deposited  
6 into the Illinois Colt Stakes Purse Distribution Fund  
7 pursuant to this subparagraph (B) shall be deposited  
8 within 2 weeks after the day they were generated, shall  
9 be in addition to and not in lieu of any other moneys  
10 paid to thoroughbred purses under this Act, and shall  
11 not be commingled with other moneys deposited into that  
12 Fund.

13 (7.3) If no live standardbred racing is conducted at a  
14 racetrack located in Madison County in calendar year 2000  
15 or 2001, an organization licensee who is licensed to  
16 conduct horse racing at that racetrack shall, before  
17 January 1, 2002, pay all moneys derived from simulcast  
18 wagering and inter-track wagering in calendar years 2000  
19 and 2001 and paid into the licensee's standardbred purse  
20 account as follows:

21 (A) Eighty percent to that licensee's thoroughbred  
22 purse account to be used for thoroughbred purses; and

23 (B) Twenty percent to the Illinois Colt Stakes  
24 Purse Distribution Fund.

25 Failure to make the payment to the Illinois Colt Stakes  
26 Purse Distribution Fund before January 1, 2002 shall result

1 in the immediate revocation of the licensee's organization  
2 license, inter-track wagering license, and inter-track  
3 wagering location license.

4 Moneys paid into the Illinois Colt Stakes Purse  
5 Distribution Fund pursuant to this paragraph (7.3) shall be  
6 paid to purses for standardbred races for Illinois  
7 conceived and foaled horses conducted at any county  
8 fairgrounds. Moneys paid into the Illinois Colt Stakes  
9 Purse Distribution Fund pursuant to this paragraph (7.3)  
10 shall be used as determined by the Department of  
11 Agriculture, with the advice and assistance of the Illinois  
12 Standardbred Breeders Fund Advisory Board, shall be in  
13 addition to and not in lieu of any other moneys paid to  
14 standardbred purses under this Act, and shall not be  
15 commingled with any other moneys paid into that Fund.

16 (7.4) If live standardbred racing is conducted at a  
17 racetrack located in Madison County at any time in calendar  
18 year 2001 before the payment required under paragraph (7.3)  
19 has been made, the organization licensee who is licensed to  
20 conduct racing at that racetrack shall pay all moneys  
21 derived by that racetrack from simulcast wagering and  
22 inter-track wagering during calendar years 2000 and 2001  
23 that (1) are to be used for purses and (2) are generated  
24 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or  
25 2001 to the standardbred purse account at that racetrack to  
26 be used for standardbred purses.

1           (7.5) Notwithstanding any provision of this Act to the  
2           contrary, if live standardbred racing and live  
3           thoroughbred racing are both conducted at a racetrack  
4           located in Madison County at any time in a calendar year,  
5           all moneys derived by that racetrack from simulcast  
6           wagering and inter-track wagering between the hours of 6:30  
7           p.m. and 6:30 a.m. that are to be used for purses shall be  
8           deposited as follows: 70% shall be paid to its thoroughbred  
9           purse account and 30% shall be paid to its standardbred  
10           purse account.

11           (8) Notwithstanding any provision in this Act to the  
12           contrary, an organization licensee from a track located in  
13           a county with a population in excess of 230,000 and that  
14           borders the Mississippi River and its affiliated non-host  
15           licensees shall not be entitled to share in any retention  
16           generated on racing, inter-track wagering, or simulcast  
17           wagering at any other Illinois wagering facility.

18           (8.1) Notwithstanding any provisions in this Act to the  
19           contrary, if 2 organization licensees are conducting  
20           standardbred race meetings concurrently between the hours  
21           of 6:30 p.m. and 6:30 a.m., after payment of all applicable  
22           State and local taxes and interstate commission fees, the  
23           remainder of the amount retained from simulcast wagering  
24           otherwise attributable to the host track and to host track  
25           purses shall be split daily between the 2 organization  
26           licensees and the purses at the tracks of the 2

1 organization licensees, respectively, based on each  
2 organization licensee's share of the total live handle for  
3 that day, provided that this provision shall not apply to  
4 any non-host licensee that derives its license from a track  
5 located in a county with a population in excess of 230,000  
6 and that borders the Mississippi River.

7 (9) (Blank).

8 (10) (Blank).

9 (11) (Blank).

10 (12) The Board shall have authority to compel all host  
11 tracks to receive the simulcast of any or all races  
12 conducted at the Springfield or DuQuoin State fairgrounds  
13 and include all such races as part of their simulcast  
14 programs.

15 (13) Notwithstanding any other provision of this Act,  
16 in the event that the total Illinois pari-mutuel handle on  
17 Illinois horse races at all wagering facilities in any  
18 calendar year is less than 75% of the total Illinois  
19 pari-mutuel handle on Illinois horse races at all such  
20 wagering facilities for calendar year 1994, then each  
21 wagering facility that has an annual total Illinois  
22 pari-mutuel handle on Illinois horse races that is less  
23 than 75% of the total Illinois pari-mutuel handle on  
24 Illinois horse races at such wagering facility for calendar  
25 year 1994, shall be permitted to receive, from any amount  
26 otherwise payable to the purse account at the race track

1 with which the wagering facility is affiliated in the  
2 succeeding calendar year, an amount equal to 2% of the  
3 differential in total Illinois pari-mutuel handle on  
4 Illinois horse races at the wagering facility between that  
5 calendar year in question and 1994 provided, however, that  
6 a wagering facility shall not be entitled to any such  
7 payment until the Board certifies in writing to the  
8 wagering facility the amount to which the wagering facility  
9 is entitled and a schedule for payment of the amount to the  
10 wagering facility, based on: (i) the racing dates awarded  
11 to the race track affiliated with the wagering facility  
12 during the succeeding year; (ii) the sums available or  
13 anticipated to be available in the purse account of the  
14 race track affiliated with the wagering facility for purses  
15 during the succeeding year; and (iii) the need to ensure  
16 reasonable purse levels during the payment period. The  
17 Board's certification shall be provided no later than  
18 January 31 of the succeeding year. In the event a wagering  
19 facility entitled to a payment under this paragraph (13) is  
20 affiliated with a race track that maintains purse accounts  
21 for both standardbred and thoroughbred racing, the amount  
22 to be paid to the wagering facility shall be divided  
23 between each purse account pro rata, based on the amount of  
24 Illinois handle on Illinois standardbred and thoroughbred  
25 racing respectively at the wagering facility during the  
26 previous calendar year. Annually, the General Assembly

1 shall appropriate sufficient funds from the General  
2 Revenue Fund to the Department of Agriculture for payment  
3 into the thoroughbred and standardbred horse racing purse  
4 accounts at Illinois pari-mutuel tracks. The amount paid to  
5 each purse account shall be the amount certified by the  
6 Illinois Racing Board in January to be transferred from  
7 each account to each eligible racing facility in accordance  
8 with the provisions of this Section. For the calendar year  
9 in which an organization licensee that is eligible to  
10 receive a payment under this paragraph (13) begins  
11 conducting electronic gaming pursuant to an electronic  
12 gaming license, the amount of that payment shall be reduced  
13 by a percentage equal to the percentage of the year  
14 remaining after the organization licensee begins  
15 conducting electronic gaming pursuant to its electronic  
16 gaming license. An organization licensee shall no longer be  
17 able to receive payments under this paragraph (13)  
18 beginning on the January 1 first occurring after the  
19 licensee begins conducting electronic gaming pursuant to  
20 an electronic gaming license issued under Section 7.7 of  
21 the Illinois Gambling Act.

22 (h) The Board may approve and license the conduct of  
23 inter-track wagering and simulcast wagering by inter-track  
24 wagering licensees and inter-track wagering location licensees  
25 subject to the following terms and conditions:

26 (1) Any person licensed to conduct a race meeting (i)

1 at a track where 60 or more days of racing were conducted  
2 during the immediately preceding calendar year or where  
3 over the 5 immediately preceding calendar years an average  
4 of 30 or more days of racing were conducted annually may be  
5 issued an inter-track wagering license; (ii) at a track  
6 located in a county that is bounded by the Mississippi  
7 River, which has a population of less than 150,000  
8 according to the 1990 decennial census, and an average of  
9 at least 60 days of racing per year between 1985 and 1993  
10 may be issued an inter-track wagering license; or (iii) at  
11 a track located in Madison County that conducted at least  
12 100 days of live racing during the immediately preceding  
13 calendar year may be issued an inter-track wagering  
14 license, unless a lesser schedule of live racing is the  
15 result of (A) weather, unsafe track conditions, or other  
16 acts of God; (B) an agreement between the organization  
17 licensee and the associations representing the largest  
18 number of owners, trainers, jockeys, or standardbred  
19 drivers who race horses at that organization licensee's  
20 racing meeting; or (C) a finding by the Board of  
21 extraordinary circumstances and that it was in the best  
22 interest of the public and the sport to conduct fewer than  
23 100 days of live racing. Any such person having operating  
24 control of the racing facility may also receive up to 6  
25 inter-track wagering location licenses. In no event shall  
26 more than 6 inter-track wagering locations be established

1 for each eligible race track, except that an eligible race  
2 track located in a county that has a population of more  
3 than 230,000 and that is bounded by the Mississippi River  
4 may establish up to 7 inter-track wagering locations. An  
5 application for said license shall be filed with the Board  
6 prior to such dates as may be fixed by the Board. With an  
7 application for an inter-track wagering location license  
8 there shall be delivered to the Board a certified check or  
9 bank draft payable to the order of the Board for an amount  
10 equal to \$500. The application shall be on forms prescribed  
11 and furnished by the Board. The application shall comply  
12 with all other rules, regulations and conditions imposed by  
13 the Board in connection therewith.

14 (2) The Board shall examine the applications with  
15 respect to their conformity with this Act and the rules and  
16 regulations imposed by the Board. If found to be in  
17 compliance with the Act and rules and regulations of the  
18 Board, the Board may then issue a license to conduct  
19 inter-track wagering and simulcast wagering to such  
20 applicant. All such applications shall be acted upon by the  
21 Board at a meeting to be held on such date as may be fixed  
22 by the Board.

23 (3) In granting licenses to conduct inter-track  
24 wagering and simulcast wagering, the Board shall give due  
25 consideration to the best interests of the public, of horse  
26 racing, and of maximizing revenue to the State.

1           (4) Prior to the issuance of a license to conduct  
2 inter-track wagering and simulcast wagering, the applicant  
3 shall file with the Board a bond payable to the State of  
4 Illinois in the sum of \$50,000, executed by the applicant  
5 and a surety company or companies authorized to do business  
6 in this State, and conditioned upon (i) the payment by the  
7 licensee of all taxes due under Section 27 or 27.1 and any  
8 other monies due and payable under this Act, and (ii)  
9 distribution by the licensee, upon presentation of the  
10 winning ticket or tickets, of all sums payable to the  
11 patrons of pari-mutuel pools.

12           (5) Each license to conduct inter-track wagering and  
13 simulcast wagering shall specify the person to whom it is  
14 issued, the dates on which such wagering is permitted, and  
15 the track or location where the wagering is to be  
16 conducted.

17           (6) All wagering under such license is subject to this  
18 Act and to the rules and regulations from time to time  
19 prescribed by the Board, and every such license issued by  
20 the Board shall contain a recital to that effect.

21           (7) An inter-track wagering licensee or inter-track  
22 wagering location licensee may accept wagers at the track  
23 or location where it is licensed, or as otherwise provided  
24 under this Act.

25           (8) Inter-track wagering or simulcast wagering shall  
26 not be conducted at any track less than 5 miles from a

1 track at which a racing meeting is in progress.

2 (8.1) Inter-track wagering location licensees who  
3 derive their licenses from a particular organization  
4 licensee shall conduct inter-track wagering and simulcast  
5 wagering only at locations which are either within 90 miles  
6 of that race track where the particular organization  
7 licensee is licensed to conduct racing, or within 135 miles  
8 of that race track where the particular organization  
9 licensee is licensed to conduct racing in the case of race  
10 tracks in counties of less than 400,000 that were operating  
11 on or before June 1, 1986. However, inter-track wagering  
12 and simulcast wagering shall not be conducted by those  
13 licensees at any location within 5 miles of any race track  
14 at which a horse race meeting has been licensed in the  
15 current year, unless the person having operating control of  
16 such race track has given its written consent to such  
17 inter-track wagering location licensees, which consent  
18 must be filed with the Board at or prior to the time  
19 application is made.

20 (8.2) Inter-track wagering or simulcast wagering shall  
21 not be conducted by an inter-track wagering location  
22 licensee at any location within 500 feet of an existing  
23 church or existing school, nor within 500 feet of the  
24 residences of more than 50 registered voters without  
25 receiving written permission from a majority of the  
26 registered voters at such residences. Such written

1 permission statements shall be filed with the Board. The  
2 distance of 500 feet shall be measured to the nearest part  
3 of any building used for worship services, education  
4 programs, residential purposes, or conducting inter-track  
5 wagering by an inter-track wagering location licensee, and  
6 not to property boundaries. However, inter-track wagering  
7 or simulcast wagering may be conducted at a site within 500  
8 feet of a church, school or residences of 50 or more  
9 registered voters if such church, school or residences have  
10 been erected or established, or such voters have been  
11 registered, after the Board issues the original  
12 inter-track wagering location license at the site in  
13 question. Inter-track wagering location licensees may  
14 conduct inter-track wagering and simulcast wagering only  
15 in areas that are zoned for commercial or manufacturing  
16 purposes or in areas for which a special use has been  
17 approved by the local zoning authority. However, no license  
18 to conduct inter-track wagering and simulcast wagering  
19 shall be granted by the Board with respect to any  
20 inter-track wagering location within the jurisdiction of  
21 any local zoning authority which has, by ordinance or by  
22 resolution, prohibited the establishment of an inter-track  
23 wagering location within its jurisdiction. However,  
24 inter-track wagering and simulcast wagering may be  
25 conducted at a site if such ordinance or resolution is  
26 enacted after the Board licenses the original inter-track

1           wagering location licensee for the site in question.

2           (9) (Blank).

3           (10) An inter-track wagering licensee or an  
4 inter-track wagering location licensee may retain, subject  
5 to the payment of the privilege taxes and the purses, an  
6 amount not to exceed 17% of all money wagered. Each program  
7 of racing conducted by each inter-track wagering licensee  
8 or inter-track wagering location licensee shall be  
9 considered a separate racing day for the purpose of  
10 determining the daily handle and computing the privilege  
11 tax or pari-mutuel tax on such daily handle as provided in  
12 Section 27.

13           (10.1) Except as provided in subsection (g) of Section  
14 27 of this Act, inter-track wagering location licensees  
15 shall pay 1% of the pari-mutuel handle at each location to  
16 the municipality in which such location is situated and 1%  
17 of the pari-mutuel handle at each location to the county in  
18 which such location is situated. In the event that an  
19 inter-track wagering location licensee is situated in an  
20 unincorporated area of a county, such licensee shall pay 2%  
21 of the pari-mutuel handle from such location to such  
22 county.

23           (10.2) Notwithstanding any other provision of this  
24 Act, with respect to intertrack wagering at a race track  
25 located in a county that has a population of more than  
26 230,000 and that is bounded by the Mississippi River ("the

1 first race track"), or at a facility operated by an  
2 inter-track wagering licensee or inter-track wagering  
3 location licensee that derives its license from the  
4 organization licensee that operates the first race track,  
5 on races conducted at the first race track or on races  
6 conducted at another Illinois race track and  
7 simultaneously televised to the first race track or to a  
8 facility operated by an inter-track wagering licensee or  
9 inter-track wagering location licensee that derives its  
10 license from the organization licensee that operates the  
11 first race track, those moneys shall be allocated as  
12 follows:

13 (A) That portion of all moneys wagered on  
14 standardbred racing that is required under this Act to  
15 be paid to purses shall be paid to purses for  
16 standardbred races.

17 (B) That portion of all moneys wagered on  
18 thoroughbred racing that is required under this Act to  
19 be paid to purses shall be paid to purses for  
20 thoroughbred races.

21 (11) (A) After payment of the privilege or pari-mutuel  
22 tax, any other applicable taxes, and the costs and expenses  
23 in connection with the gathering, transmission, and  
24 dissemination of all data necessary to the conduct of  
25 inter-track wagering, the remainder of the monies retained  
26 under either Section 26 or Section 26.2 of this Act by the

1 inter-track wagering licensee on inter-track wagering  
2 shall be allocated with 50% to be split between the 2  
3 participating licensees and 50% to purses, except that an  
4 intertrack wagering licensee that derives its license from  
5 a track located in a county with a population in excess of  
6 230,000 and that borders the Mississippi River shall not  
7 divide any remaining retention with the Illinois  
8 organization licensee that provides the race or races, and  
9 an intertrack wagering licensee that accepts wagers on  
10 races conducted by an organization licensee that conducts a  
11 race meet in a county with a population in excess of  
12 230,000 and that borders the Mississippi River shall not  
13 divide any remaining retention with that organization  
14 licensee.

15 (B) From the sums permitted to be retained pursuant to  
16 paragraph (10) of this subsection (h), ~~this Act~~ each  
17 inter-track wagering location licensee shall pay the  
18 following:

19 (i) the privilege or pari-mutuel tax to the State;

20 (ii) the following percentages ~~4.75%~~ of the  
21 pari-mutuel handle on intertrack wagering at such  
22 location on races as purses, except that an intertrack  
23 wagering location licensee that derives its license  
24 from a track located in a county with a population in  
25 excess of 230,000 and that borders the Mississippi  
26 River shall retain all purse moneys for its own purse

1 account consistent with distribution set forth in this  
2 subsection (h), and intertrack wagering location  
3 licensees that accept wagers on races conducted by an  
4 organization licensee located in a county with a  
5 population in excess of 230,000 and that borders the  
6 Mississippi River shall distribute all purse moneys to  
7 purses at the operating host track:

8 (I) until 6 months after the organizational  
9 licensee from which the inter-track wagering  
10 location licensee derives its license begins  
11 conducting electronic gaming, 4.75%;

12 (II) beginning 6 months after the  
13 organizational licensee from which the inter-track  
14 wagering location licensee derives its license  
15 begins conducting electronic gaming and until 12  
16 months after that date, 5.75%; and

17 (III) beginning 12 months after the  
18 organizational licensee from which the inter-track  
19 wagering location licensee derives its license  
20 begins conducting electronic gaming, 6.75%;

21 (iii) until January 1, 2000, except as provided in  
22 subsection (g) of Section 27 of this Act, 1% of the  
23 pari-mutuel handle wagered on inter-track wagering and  
24 simulcast wagering at each inter-track wagering  
25 location licensee facility to the Horse Racing Tax  
26 Allocation Fund, provided that, to the extent the total

1 amount collected and distributed to the Horse Racing  
2 Tax Allocation Fund under this subsection (h) during  
3 any calendar year exceeds the amount collected and  
4 distributed to the Horse Racing Tax Allocation Fund  
5 during calendar year 1994, that excess amount shall be  
6 redistributed (I) to all inter-track wagering location  
7 licensees, based on each licensee's pro-rata share of  
8 the total handle from inter-track wagering and  
9 simulcast wagering for all inter-track wagering  
10 location licensees during the calendar year in which  
11 this provision is applicable; then (II) the amounts  
12 redistributed to each inter-track wagering location  
13 licensee as described in subpart (I) shall be further  
14 redistributed as provided in subparagraph (B) of  
15 paragraph (5) of subsection (g) of this Section 26  
16 provided first, that the shares of those amounts, which  
17 are to be redistributed to the host track or to purses  
18 at the host track under subparagraph (B) of paragraph  
19 (5) of subsection (g) of this Section 26 shall be  
20 redistributed based on each host track's pro rata share  
21 of the total inter-track wagering and simulcast  
22 wagering handle at all host tracks during the calendar  
23 year in question, and second, that any amounts  
24 redistributed as described in part (I) to an  
25 inter-track wagering location licensee that accepts  
26 wagers on races conducted by an organization licensee

1           that conducts a race meet in a county with a population  
2           in excess of 230,000 and that borders the Mississippi  
3           River shall be further redistributed as provided in  
4           subparagraphs (D) and (E) of paragraph (7) of  
5           subsection (g) of this Section 26, with the portion of  
6           that further redistribution allocated to purses at  
7           that organization licensee to be divided between  
8           standardbred purses and thoroughbred purses based on  
9           the amounts otherwise allocated to purses at that  
10          organization licensee during the calendar year in  
11          question; and

12           (iv) the following percentages ~~8%~~ of the  
13          pari-mutuel handle on inter-track wagering wagered at  
14          such location to satisfy all costs and expenses of  
15          conducting its wagering. The remainder of the monies  
16          retained by the inter-track wagering location licensee  
17          shall be allocated 40% to the location licensee and 60%  
18          to the organization licensee which provides the  
19          Illinois races to the location, except that an  
20          intertrack wagering location licensee that derives its  
21          license from a track located in a county with a  
22          population in excess of 230,000 and that borders the  
23          Mississippi River shall not divide any remaining  
24          retention with the organization licensee that provides  
25          the race or races and an intertrack wagering location  
26          licensee that accepts wagers on races conducted by an

1 organization licensee that conducts a race meet in a  
2 county with a population in excess of 230,000 and that  
3 borders the Mississippi River shall not divide any  
4 remaining retention with the organization licensee:

5 (I) until 6 months after the organizational  
6 licensee from which the inter-track wagering  
7 location licensee derives its license begins  
8 conducting electronic gaming, 8%;

9 (II) beginning 6 months after the  
10 organizational licensee from which the inter-track  
11 wagering location licensee derives its license  
12 begins conducting electronic gaming and until 12  
13 months after that date, 7.5%; and

14 (III) beginning 12 months after the  
15 organizational licensee from which the inter-track  
16 wagering location licensee derives its license  
17 begins conducting electronic gaming, 6.75%.

18 Notwithstanding the provisions of clauses (ii) and  
19 (iv) of this paragraph, in the case of the additional  
20 inter-track wagering location licenses authorized under  
21 paragraph (1) of this subsection (h) by this amendatory Act  
22 of 1991, those licensees shall pay the percentage of the  
23 pari-mutuel handle required under clause (ii) of this  
24 paragraph (B) following amounts as purses. The ~~+~~ during the  
25 first 12 months the licensee is in operation, 5.25% of the  
26 pari mutuel handle wagered at the location on races; during

1 ~~the second 12 months, 5.25%; during the third 12 months,~~  
2 ~~5.75%; during the fourth 12 months, 6.25%; and during the~~  
3 ~~fifth 12 months and thereafter, 6.75%. The following~~  
4 ~~amounts shall be retained by the licensee shall retain the~~  
5 ~~percentage of the pari-mutuel handle required under clause~~  
6 ~~(iv) of this paragraph (B) to satisfy all costs and~~  
7 ~~expenses of conducting its wagering: during the first 12~~  
8 ~~months the licensee is in operation, 8.25% of the~~  
9 ~~pari-mutuel handle wagered at the location; during the~~  
10 ~~second 12 months, 8.25%; during the third 12 months, 7.75%;~~  
11 ~~during the fourth 12 months, 7.25%; and during the fifth 12~~  
12 ~~months and thereafter, 6.75%. For additional intertrack~~  
13 ~~wagering location licensees authorized under Public Act~~  
14 ~~89-16, after all taxes are paid, of the remainder, 50%~~  
15 ~~shall be retained by the licensee and 50% shall be paid to~~  
16 ~~purses. this amendatory Act of 1995, purses for the first~~  
17 ~~12 months the licensee is in operation shall be 5.75% of~~  
18 ~~the pari mutuel wagered at the location, purses for the~~  
19 ~~second 12 months the licensee is in operation shall be~~  
20 ~~6.25%, and purses thereafter shall be 6.75%. For additional~~  
21 ~~intertrack location licensees authorized under this~~  
22 ~~amendatory Act of 1995, the licensee shall be allowed to~~  
23 ~~retain to satisfy all costs and expenses: 7.75% of the~~  
24 ~~pari-mutuel handle wagered at the location during its first~~  
25 ~~12 months of operation, 7.25% during its second 12 months~~  
26 ~~of operation, and 6.75% thereafter.~~

1           (C) There is hereby created the Horse Racing Tax  
2 Allocation Fund which shall remain in existence until  
3 December 31, 1999. Moneys remaining in the Fund after  
4 December 31, 1999 shall be paid into the General Revenue  
5 Fund. Until January 1, 2000, all monies paid into the Horse  
6 Racing Tax Allocation Fund pursuant to this paragraph (11)  
7 by inter-track wagering location licensees located in park  
8 districts of 500,000 population or less, or in a  
9 municipality that is not included within any park district  
10 but is included within a conservation district and is the  
11 county seat of a county that (i) is contiguous to the state  
12 of Indiana and (ii) has a 1990 population of 88,257  
13 according to the United States Bureau of the Census, and  
14 operating on May 1, 1994 shall be allocated by  
15 appropriation as follows:

16           Two-sevenths to the Department of Agriculture.  
17           Fifty percent of this two-sevenths shall be used to  
18 promote the Illinois horse racing and breeding  
19 industry, and shall be distributed by the Department of  
20 Agriculture upon the advice of a 9-member committee  
21 appointed by the Governor consisting of the following  
22 members: the Director of Agriculture, who shall serve  
23 as chairman; 2 representatives of organization  
24 licensees conducting thoroughbred race meetings in  
25 this State, recommended by those licensees; 2  
26 representatives of organization licensees conducting

1 standardbred race meetings in this State, recommended  
2 by those licensees; a representative of the Illinois  
3 Thoroughbred Breeders and Owners Foundation,  
4 recommended by that Foundation; a representative of  
5 the Illinois Standardbred Owners and Breeders  
6 Association, recommended by that Association; a  
7 representative of the Horsemen's Benevolent and  
8 Protective Association or any successor organization  
9 thereto established in Illinois comprised of the  
10 largest number of owners and trainers, recommended by  
11 that Association or that successor organization; and a  
12 representative of the Illinois Harness Horsemen's  
13 Association, recommended by that Association.  
14 Committee members shall serve for terms of 2 years,  
15 commencing January 1 of each even-numbered year. If a  
16 representative of any of the above-named entities has  
17 not been recommended by January 1 of any even-numbered  
18 year, the Governor shall appoint a committee member to  
19 fill that position. Committee members shall receive no  
20 compensation for their services as members but shall be  
21 reimbursed for all actual and necessary expenses and  
22 disbursements incurred in the performance of their  
23 official duties. The remaining 50% of this  
24 two-sevenths shall be distributed to county fairs for  
25 premiums and rehabilitation as set forth in the  
26 Agricultural Fair Act;

1           Four-sevenths to park districts or municipalities  
2           that do not have a park district of 500,000 population  
3           or less for museum purposes (if an inter-track wagering  
4           location licensee is located in such a park district)  
5           or to conservation districts for museum purposes (if an  
6           inter-track wagering location licensee is located in a  
7           municipality that is not included within any park  
8           district but is included within a conservation  
9           district and is the county seat of a county that (i) is  
10          contiguous to the state of Indiana and (ii) has a 1990  
11          population of 88,257 according to the United States  
12          Bureau of the Census, except that if the conservation  
13          district does not maintain a museum, the monies shall  
14          be allocated equally between the county and the  
15          municipality in which the inter-track wagering  
16          location licensee is located for general purposes) or  
17          to a municipal recreation board for park purposes (if  
18          an inter-track wagering location licensee is located  
19          in a municipality that is not included within any park  
20          district and park maintenance is the function of the  
21          municipal recreation board and the municipality has a  
22          1990 population of 9,302 according to the United States  
23          Bureau of the Census); provided that the monies are  
24          distributed to each park district or conservation  
25          district or municipality that does not have a park  
26          district in an amount equal to four-sevenths of the

1 amount collected by each inter-track wagering location  
2 licensee within the park district or conservation  
3 district or municipality for the Fund. Monies that were  
4 paid into the Horse Racing Tax Allocation Fund before  
5 the effective date of this amendatory Act of 1991 by an  
6 inter-track wagering location licensee located in a  
7 municipality that is not included within any park  
8 district but is included within a conservation  
9 district as provided in this paragraph shall, as soon  
10 as practicable after the effective date of this  
11 amendatory Act of 1991, be allocated and paid to that  
12 conservation district as provided in this paragraph.  
13 Any park district or municipality not maintaining a  
14 museum may deposit the monies in the corporate fund of  
15 the park district or municipality where the  
16 inter-track wagering location is located, to be used  
17 for general purposes; and

18 One-seventh to the Agricultural Premium Fund to be  
19 used for distribution to agricultural home economics  
20 extension councils in accordance with "An Act in  
21 relation to additional support and finances for the  
22 Agricultural and Home Economic Extension Councils in  
23 the several counties of this State and making an  
24 appropriation therefor", approved July 24, 1967.

25 Until January 1, 2000, all other monies paid into the  
26 Horse Racing Tax Allocation Fund pursuant to this paragraph

1           (11) shall be allocated by appropriation as follows:

2                   Two-sevenths to the Department of Agriculture.  
3           Fifty percent of this two-sevenths shall be used to  
4           promote the Illinois horse racing and breeding  
5           industry, and shall be distributed by the Department of  
6           Agriculture upon the advice of a 9-member committee  
7           appointed by the Governor consisting of the following  
8           members: the Director of Agriculture, who shall serve  
9           as chairman; 2 representatives of organization  
10          licensees conducting thoroughbred race meetings in  
11          this State, recommended by those licensees; 2  
12          representatives of organization licensees conducting  
13          standardbred race meetings in this State, recommended  
14          by those licensees; a representative of the Illinois  
15          Thoroughbred Breeders and Owners Foundation,  
16          recommended by that Foundation; a representative of  
17          the Illinois Standardbred Owners and Breeders  
18          Association, recommended by that Association; a  
19          representative of the Horsemen's Benevolent and  
20          Protective Association or any successor organization  
21          thereto established in Illinois comprised of the  
22          largest number of owners and trainers, recommended by  
23          that Association or that successor organization; and a  
24          representative of the Illinois Harness Horsemen's  
25          Association, recommended by that Association.  
26          Committee members shall serve for terms of 2 years,

1 commencing January 1 of each even-numbered year. If a  
2 representative of any of the above-named entities has  
3 not been recommended by January 1 of any even-numbered  
4 year, the Governor shall appoint a committee member to  
5 fill that position. Committee members shall receive no  
6 compensation for their services as members but shall be  
7 reimbursed for all actual and necessary expenses and  
8 disbursements incurred in the performance of their  
9 official duties. The remaining 50% of this  
10 two-sevenths shall be distributed to county fairs for  
11 premiums and rehabilitation as set forth in the  
12 Agricultural Fair Act;

13 Four-sevenths to museums and aquariums located in  
14 park districts of over 500,000 population; provided  
15 that the monies are distributed in accordance with the  
16 previous year's distribution of the maintenance tax  
17 for such museums and aquariums as provided in Section 2  
18 of the Park District Aquarium and Museum Act; and

19 One-seventh to the Agricultural Premium Fund to be  
20 used for distribution to agricultural home economics  
21 extension councils in accordance with "An Act in  
22 relation to additional support and finances for the  
23 Agricultural and Home Economic Extension Councils in  
24 the several counties of this State and making an  
25 appropriation therefor", approved July 24, 1967. This  
26 subparagraph (C) shall be inoperative and of no force

1 and effect on and after January 1, 2000.

2 (D) Except as provided in paragraph (11) of this  
3 subsection (h), with respect to purse allocation from  
4 intertrack wagering, the monies so retained shall be  
5 divided as follows:

6 (i) If the inter-track wagering licensee,  
7 except an intertrack wagering licensee that  
8 derives its license from an organization licensee  
9 located in a county with a population in excess of  
10 230,000 and bounded by the Mississippi River, is  
11 not conducting its own race meeting during the same  
12 dates, then the entire purse allocation shall be to  
13 purses at the track where the races wagered on are  
14 being conducted.

15 (ii) If the inter-track wagering licensee,  
16 except an intertrack wagering licensee that  
17 derives its license from an organization licensee  
18 located in a county with a population in excess of  
19 230,000 and bounded by the Mississippi River, is  
20 also conducting its own race meeting during the  
21 same dates, then the purse allocation shall be as  
22 follows: 50% to purses at the track where the races  
23 wagered on are being conducted; 50% to purses at  
24 the track where the inter-track wagering licensee  
25 is accepting such wagers.

26 (iii) If the inter-track wagering is being

1           conducted by an inter-track wagering location  
2           licensee, except an intertrack wagering location  
3           licensee that derives its license from an  
4           organization licensee located in a county with a  
5           population in excess of 230,000 and bounded by the  
6           Mississippi River, the entire purse allocation for  
7           Illinois races shall be to purses at the track  
8           where the race meeting being wagered on is being  
9           held.

10           (12) The Board shall have all powers necessary and  
11           proper to fully supervise and control the conduct of  
12           inter-track wagering and simulcast wagering by inter-track  
13           wagering licensees and inter-track wagering location  
14           licensees, including, but not limited to the following:

15           (A) The Board is vested with power to promulgate  
16           reasonable rules and regulations for the purpose of  
17           administering the conduct of this wagering and to  
18           prescribe reasonable rules, regulations and conditions  
19           under which such wagering shall be held and conducted.  
20           Such rules and regulations are to provide for the  
21           prevention of practices detrimental to the public  
22           interest and for the best interests of said wagering  
23           and to impose penalties for violations thereof.

24           (B) The Board, and any person or persons to whom it  
25           delegates this power, is vested with the power to enter  
26           the facilities of any licensee to determine whether

1           there has been compliance with the provisions of this  
2           Act and the rules and regulations relating to the  
3           conduct of such wagering.

4           (C) The Board, and any person or persons to whom it  
5           delegates this power, may eject or exclude from any  
6           licensee's facilities, any person whose conduct or  
7           reputation is such that his presence on such premises  
8           may, in the opinion of the Board, call into the  
9           question the honesty and integrity of, or interfere  
10          with the orderly conduct of such wagering; provided,  
11          however, that no person shall be excluded or ejected  
12          from such premises solely on the grounds of race,  
13          color, creed, national origin, ancestry, or sex.

14          (D) (Blank).

15          (E) The Board is vested with the power to appoint  
16          delegates to execute any of the powers granted to it  
17          under this Section for the purpose of administering  
18          this wagering and any rules and regulations  
19          promulgated in accordance with this Act.

20          (F) The Board shall name and appoint a State  
21          director of this wagering who shall be a representative  
22          of the Board and whose duty it shall be to supervise  
23          the conduct of inter-track wagering as may be provided  
24          for by the rules and regulations of the Board; such  
25          rules and regulation shall specify the method of  
26          appointment and the Director's powers, authority and

1 duties.

2 (G) The Board is vested with the power to impose  
3 civil penalties of up to \$5,000 against individuals and  
4 up to \$10,000 against licensees for each violation of  
5 any provision of this Act relating to the conduct of  
6 this wagering, any rules adopted by the Board, any  
7 order of the Board or any other action which in the  
8 Board's discretion, is a detriment or impediment to  
9 such wagering.

10 (13) The Department of Agriculture may enter into  
11 agreements with licensees authorizing such licensees to  
12 conduct inter-track wagering on races to be held at the  
13 licensed race meetings conducted by the Department of  
14 Agriculture. Such agreement shall specify the races of the  
15 Department of Agriculture's licensed race meeting upon  
16 which the licensees will conduct wagering. In the event  
17 that a licensee conducts inter-track pari-mutuel wagering  
18 on races from the Illinois State Fair or DuQuoin State Fair  
19 which are in addition to the licensee's previously approved  
20 racing program, those races shall be considered a separate  
21 racing day for the purpose of determining the daily handle  
22 and computing the privilege or pari-mutuel tax on that  
23 daily handle as provided in Sections 27 and 27.1. Such  
24 agreements shall be approved by the Board before such  
25 wagering may be conducted. In determining whether to grant  
26 approval, the Board shall give due consideration to the

1 best interests of the public and of horse racing. The  
2 provisions of paragraphs (1), (8), (8.1), and (8.2) of  
3 subsection (h) of this Section which are not specified in  
4 this paragraph (13) shall not apply to licensed race  
5 meetings conducted by the Department of Agriculture at the  
6 Illinois State Fair in Sangamon County or the DuQuoin State  
7 Fair in Perry County, or to any wagering conducted on those  
8 race meetings.

9 (i) Notwithstanding the other provisions of this Act, the  
10 conduct of wagering at wagering facilities is authorized on all  
11 days, except as limited by subsection (b) of Section 19 of this  
12 Act.

13 (Source: P.A. 91-40, eff. 6-25-99; 92-211, eff. 8-2-01.)

14 (230 ILCS 5/26.1) (from Ch. 8, par. 37-26.1)

15 Sec. 26.1. For all pari-mutuel wagering conducted pursuant  
16 to this Act, breakage shall be at all times computed on the  
17 basis of not to exceed 10¢ on the dollar. If there is a minus  
18 pool, the breakage shall be computed on the basis of not to  
19 exceed 5¢ on the dollar. Breakage shall be calculated only  
20 after the amounts retained by licensees pursuant to Sections 26  
21 and 26.2 of this Act, and all applicable surcharges, are taken  
22 out of winning wagers and winnings from wagers. ~~From Beginning~~  
23 January 1, 2000 until the first day electronic gaming is  
24 conducted by an organization licensee, all breakage shall be  
25 retained by licensees, with 50% of breakage to be used by

1 licensees for racetrack improvements at the racetrack from  
2 which the wagering facility derives its license. The remaining  
3 50% is to be allocated 50% to the purse account for the  
4 licensee from which the wagering facility derives its license  
5 and 50% to the licensee. Beginning on the first day electronic  
6 gaming is conducted by an organization licensee, all breakage  
7 shall be retained by licensees, with 50% of breakage to be used  
8 by licensees for racetrack improvements at the racetrack from  
9 which the wagering facility derives its license. The remaining  
10 50% is to be allocated to the purse account for the licensee  
11 from which the wagering facility derives its license.

12 (Source: P.A. 91-40, eff. 6-25-99.)

13 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

14 Sec. 27. (a) Beginning on the date an organization licensee  
15 begins conducting electronic gaming pursuant to an electronic  
16 gaming license, the following pari-mutuel tax is imposed upon  
17 an organization licensee on Illinois races at that licensee's  
18 race track as follows:

19 1.5% of the pari-mutuel handle at or below the average  
20 daily pari-mutuel handle for 2007.

21 2% of the pari-mutuel handle above the average daily  
22 pari-mutuel handle for 2007 up to 125% of the average daily  
23 pari-mutuel handle for 2007.

24 2.5% of the pari-mutuel handle 125% or more above the  
25 average daily pari-mutuel handle for 2007 up to 150% of the

1       average daily pari-mutuel handle for 2007.

2           3% of the pari-mutuel handle 150% or more above the  
3       average daily pari-mutuel handle for 2007 up to 175% of the  
4       average daily pari-mutuel handle for 2007.

5           3.5% of the pari-mutuel handle 175% or more above the  
6       average daily pari-mutuel handle for 2007.

7       The pari-mutuel tax imposed by this subsection (a) shall be  
8       remitted to the Board within 48 hours after the close of the  
9       racing day upon which it is assessed or within such other time  
10       as the Board prescribes. In addition to the organization  
11       license fee provided by this Act, until January 1, 2000, a  
12       graduated privilege tax is hereby imposed for conducting the  
13       pari-mutuel system of wagering permitted under this Act. Until  
14       January 1, 2000, except as provided in subsection (g) of  
15       Section 27 of this Act, all of the breakage of each racing day  
16       held by any licensee in the State shall be paid to the State.  
17       Until January 1, 2000, such daily graduated privilege tax shall  
18       be paid by the licensee from the amount permitted to be  
19       retained under this Act. Until January 1, 2000, each day's  
20       graduated privilege tax, breakage, and Horse Racing Tax  
21       Allocation funds shall be remitted to the Department of Revenue  
22       within 48 hours after the close of the racing day upon which it  
23       is assessed or within such other time as the Board prescribes.  
24       The privilege tax hereby imposed, until January 1, 2000, shall  
25       be a flat tax at the rate of 2% of the daily pari mutuel handle  
26       except as provided in Section 27.1.

1       ~~In addition, every organization licensee, except as~~  
2 ~~provided in Section 27.1 of this Act, which conducts multiple~~  
3 ~~wagering shall pay, until January 1, 2000, as a privilege tax~~  
4 ~~on multiple wagers an amount equal to 1.25% of all moneys~~  
5 ~~wagered each day on such multiple wagers, plus an additional~~  
6 ~~amount equal to 3.5% of the amount wagered each day on any~~  
7 ~~other multiple wager which involves a single betting interest~~  
8 ~~on 3 or more horses. The licensee shall remit the amount of~~  
9 ~~such taxes to the Department of Revenue within 48 hours after~~  
10 ~~the close of the racing day on which it is assessed or within~~  
11 ~~such other time as the Board prescribes.~~

12       ~~This subsection (a) shall be inoperative and of no force~~  
13 ~~and effect on and after January 1, 2000.~~

14       (a-5) Except as provided in this subsection (a-5) and  
15 subsection (a) of this Section, Beginning on January 1, 2000, a  
16 flat pari-mutuel tax at the rate of 1.5% of the daily  
17 pari-mutuel handle is imposed on ~~at~~ all pari-mutuel wagering  
18 facilities, ~~except as otherwise provided for in this subsection~~  
19 ~~(a-5).~~ Until an organization licensee located in a county that  
20 borders the Mississippi River and conducted live racing in the  
21 previous year begins conducting electronic gaming pursuant an  
22 electronic gaming license Beginning on the effective date of  
23 this amendatory Act of the 94th General Assembly and until  
24 moneys deposited pursuant to Section 54 are distributed and  
25 received, a pari-mutuel tax at the rate of 0.25% of the daily  
26 pari-mutuel handle is imposed on ~~at~~ a pari-mutuel wagering

1 ~~conducted by that licensee facility whose license is derived~~  
2 ~~from a track located in a county that borders the Mississippi~~  
3 ~~River and conducted live racing in the previous year. When an~~  
4 ~~organization licensee located in a county that borders the~~  
5 ~~Mississippi River and conducted live racing in the previous~~  
6 ~~year begins conducting electronic gaming pursuant an~~  
7 ~~electronic gaming license After moneys deposited pursuant to~~  
8 ~~Section 54 are distributed and received, a pari-mutuel tax at~~  
9 the rate of 1.5% of the daily pari-mutuel handle is imposed on  
10 ~~at a pari-mutuel wagering conducted by that licensee facility~~  
11 ~~whose license is derived from a track located in a county that~~  
12 ~~borders the Mississippi River and conducted live racing in the~~  
13 ~~previous year. The pari-mutuel tax imposed by this subsection~~  
14 (a-5) shall be remitted to the Department of Revenue within 48  
15 hours after the close of the racing day upon which it is  
16 assessed or within such other time as the Board prescribes.

17 (b) On or before December 31, 1999, in the event that any  
18 organization licensee conducts 2 separate programs of races on  
19 any day, each such program shall be considered a separate  
20 racing day for purposes of determining the daily handle and  
21 computing the privilege tax on such daily handle as provided in  
22 subsection (a) of this Section.

23 (c) Licensees shall at all times keep accurate books and  
24 records of all monies wagered on each day of a race meeting and  
25 of the taxes paid to the Department of Revenue under the  
26 provisions of this Section. The Board or its duly authorized

1 representative or representatives shall at all reasonable  
2 times have access to such records for the purpose of examining  
3 and checking the same and ascertaining whether the proper  
4 amount of taxes is being paid as provided. The Board shall  
5 require verified reports and a statement of the total of all  
6 monies wagered daily at each wagering facility upon which the  
7 taxes are assessed and may prescribe forms upon which such  
8 reports and statement shall be made.

9 (d) Any licensee failing or refusing to pay the amount of  
10 any tax due under this Section shall be guilty of a business  
11 offense and upon conviction shall be fined not more than \$5,000  
12 in addition to the amount found due as tax under this Section.  
13 Each day's violation shall constitute a separate offense. All  
14 fines paid into Court by a licensee hereunder shall be  
15 transmitted and paid over by the Clerk of the Court to the  
16 Board.

17 (e) No other license fee, privilege tax, excise tax, or  
18 racing fee, except as provided in this Act, shall be assessed  
19 or collected from any such licensee by the State.

20 (f) No other license fee, privilege tax, excise tax or  
21 racing fee shall be assessed or collected from any such  
22 licensee by units of local government except as provided in  
23 paragraph 10.1 of subsection (h) and subsection (f) of Section  
24 26 of this Act. However, any municipality that has a Board  
25 licensed horse race meeting at a race track wholly within its  
26 corporate boundaries or a township that has a Board licensed

1 horse race meeting at a race track wholly within the  
2 unincorporated area of the township may charge a local  
3 amusement tax not to exceed 10¢ per admission to such horse  
4 race meeting by the enactment of an ordinance. However, any  
5 municipality or county that has a Board licensed inter-track  
6 wagering location facility wholly within its corporate  
7 boundaries may each impose an admission fee not to exceed \$1.00  
8 per admission to such inter-track wagering location facility,  
9 so that a total of not more than \$2.00 per admission may be  
10 imposed. Except as provided in subparagraph (g) of Section 27  
11 of this Act, the inter-track wagering location licensee shall  
12 collect any and all such fees and within 48 hours remit the  
13 fees to the Board, which shall, pursuant to rule, cause the  
14 fees to be distributed to the county or municipality.

15 (g) Notwithstanding any provision in this Act to the  
16 contrary, if in any calendar year the total taxes and fees from  
17 wagering on live racing and from inter-track wagering required  
18 to be collected from licensees and distributed under this Act  
19 to all State and local governmental authorities exceeds the  
20 amount of such taxes and fees distributed to each State and  
21 local governmental authority to which each State and local  
22 governmental authority was entitled under this Act for calendar  
23 year 1994, then the first \$11 million of that excess amount  
24 shall be allocated at the earliest possible date for  
25 distribution as purse money for the succeeding calendar year.  
26 Upon reaching the 1994 level, and until the excess amount of

1 taxes and fees exceeds \$11 million, the Board shall direct all  
2 licensees to cease paying the subject taxes and fees and the  
3 Board shall direct all licensees to allocate any such excess  
4 amount for purses as follows:

5 (i) the excess amount shall be initially divided  
6 between thoroughbred and standardbred purses based on the  
7 thoroughbred's and standardbred's respective percentages  
8 of total Illinois live wagering in calendar year 1994;

9 (ii) each thoroughbred and standardbred organization  
10 licensee issued an organization licensee in that  
11 succeeding allocation year shall be allocated an amount  
12 equal to the product of its percentage of total Illinois  
13 live thoroughbred or standardbred wagering in calendar  
14 year 1994 (the total to be determined based on the sum of  
15 1994 on-track wagering for all organization licensees  
16 issued organization licenses in both the allocation year  
17 and the preceding year) multiplied by the total amount  
18 allocated for standardbred or thoroughbred purses,  
19 provided that the first \$1,500,000 of the amount allocated  
20 to standardbred purses under item (i) shall be allocated to  
21 the Department of Agriculture to be expended with the  
22 assistance and advice of the Illinois Standardbred  
23 Breeders Funds Advisory Board for the purposes listed in  
24 subsection (g) of Section 31 of this Act, before the amount  
25 allocated to standardbred purses under item (i) is  
26 allocated to standardbred organization licensees in the

1           succeeding allocation year.

2           To the extent the excess amount of taxes and fees to be  
3 collected and distributed to State and local governmental  
4 authorities exceeds \$11 million, that excess amount shall be  
5 collected and distributed to State and local authorities as  
6 provided for under this Act.

7           (Source: P.A. 94-805, eff. 5-26-06.)

8           (230 ILCS 5/28.1)

9           Sec. 28.1. Payments.

10           (a) Beginning on January 1, 2000, moneys collected by the  
11 Department of Revenue and the Racing Board pursuant to Section  
12 26 or Section 27 of this Act shall be deposited into the Horse  
13 Racing Fund, which is hereby created as a special fund in the  
14 State Treasury.

15           (b) Appropriations, as approved by the General Assembly,  
16 may be made from the Horse Racing Fund to the Board to pay the  
17 salaries of the Board members, secretary, stewards, directors  
18 of mutuels, veterinarians, representatives, accountants,  
19 clerks, stenographers, inspectors and other employees of the  
20 Board, and all expenses of the Board incident to the  
21 administration of this Act, including, but not limited to, all  
22 expenses and salaries incident to the taking of saliva and  
23 urine samples in accordance with the rules and regulations of  
24 the Board.

25           (c) Beginning on January 1, 2000, the Board shall transfer

1 the remainder of the funds generated pursuant to Sections 26  
2 and 27 from the Horse Racing Fund into the General Revenue  
3 Fund.

4 (d) Beginning January 1, 2000, payments to all programs in  
5 existence on the effective date of this amendatory Act of 1999  
6 that are identified in Sections 26(c), 26(f), 26(h)(11)(C), and  
7 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of  
8 Section 30, and subsections (a), (b), (c), (d), (e), (f), (g),  
9 and (h) of Section 31 shall be made from the General Revenue  
10 Fund at the funding levels determined by amounts paid under  
11 this Act in calendar year 1998. Beginning on the effective date  
12 of this amendatory Act of the 93rd General Assembly, payments  
13 to the Peoria Park District shall be made from the General  
14 Revenue Fund at the funding level determined by amounts paid to  
15 that park district for museum purposes under this Act in  
16 calendar year 1994. Beginning on the effective date of this  
17 amendatory Act of the 94th General Assembly, in lieu of  
18 payments to the Champaign Park District for museum purposes,  
19 payments to the Urbana Park District shall be made from the  
20 General Revenue Fund at the funding level determined by amounts  
21 paid to the Champaign Park District for museum purposes under  
22 this Act in calendar year 2005.

23 (e) Beginning July 1, 2006, the payment authorized under  
24 subsection (d) to museums and aquariums located in park  
25 districts of over 500,000 population shall be paid to museums,  
26 aquariums, and zoos in amounts determined by Museums in the

1 Park, an association of museums, aquariums, and zoos located on  
2 Chicago Park District property.

3 (f) Beginning July 1, 2007, the Children's Discovery Museum  
4 in Normal, Illinois shall receive payments from the General  
5 Revenue Fund at the funding level determined by the amounts  
6 paid to the Miller Park Zoo in Bloomington, Illinois under this  
7 Section in calendar year 2006.

8 (g) Notwithstanding any other provision of this Act to the  
9 contrary, moneys paid into the Illinois Colt Stakes  
10 Distribution Fund may be distributed by the Department of  
11 Agriculture to Illinois county fairs to supplement premiums  
12 offered in junior classes.

13 (Source: P.A. 94-813, eff. 5-26-06; 95-222, eff. 8-16-07.)

14 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

15 Sec. 30. (a) The General Assembly declares that it is the  
16 policy of this State to encourage the breeding of thoroughbred  
17 horses in this State and the ownership of such horses by  
18 residents of this State in order to provide for: sufficient  
19 numbers of high quality thoroughbred horses to participate in  
20 thoroughbred racing meetings in this State, and to establish  
21 and preserve the agricultural and commercial benefits of such  
22 breeding and racing industries to the State of Illinois. It is  
23 the intent of the General Assembly to further this policy by  
24 the provisions of this Act.

25 (b) Each organization licensee conducting a thoroughbred

1 racing meeting pursuant to this Act shall provide at least two  
2 races each day limited to Illinois conceived and foaled horses  
3 or Illinois foaled horses or both. A minimum of 6 races shall  
4 be conducted each week limited to Illinois conceived and foaled  
5 or Illinois foaled horses or both. Subject to the daily  
6 availability of horses, one of the 6 races scheduled per week  
7 that are limited to Illinois conceived and foaled or Illinois  
8 foaled horses or both shall be limited to Illinois conceived  
9 and foaled or Illinois foaled maidens. No horses shall be  
10 permitted to start in such races unless duly registered under  
11 the rules of the Department of Agriculture.

12 (c) Conditions of races under subsection (b) shall be  
13 commensurate with past performance, quality, and class of  
14 Illinois conceived and foaled and Illinois foaled horses  
15 available. If, however, sufficient competition cannot be had  
16 among horses of that class on any day, the races may, with  
17 consent of the Board, be eliminated for that day and substitute  
18 races provided.

19 (d) There is hereby created a special fund of the State  
20 Treasury to be known as the Illinois Thoroughbred Breeders  
21 Fund.

22 Except as provided in subsection (g) of Section 27 of this  
23 Act, 8.5% of all the monies received by the State as privilege  
24 taxes on Thoroughbred racing meetings shall be paid into the  
25 Illinois Thoroughbred Breeders Fund.

26 (e) The Illinois Thoroughbred Breeders Fund shall be

1 administered by the Department of Agriculture with the advice  
2 and assistance of the Advisory Board created in subsection (f)  
3 of this Section.

4 (f) The Illinois Thoroughbred Breeders Fund Advisory Board  
5 shall consist of the Director of the Department of Agriculture,  
6 who shall serve as Chairman; a member of the Illinois Racing  
7 Board, designated by it; 2 representatives of the organization  
8 licensees conducting thoroughbred racing meetings, recommended  
9 by them; 2 representatives of the Illinois Thoroughbred  
10 Breeders and Owners Foundation, recommended by it; and 2  
11 representatives of the Horsemen's Benevolent Protective  
12 Association or any successor organization established in  
13 Illinois comprised of the largest number of owners and  
14 trainers, recommended by it, with one representative of the  
15 Horsemen's Benevolent and Protective Association to come from  
16 its Illinois Division, and one from its Chicago Division.  
17 Advisory Board members shall serve for 2 years commencing  
18 January 1 of each odd numbered year. If representatives of the  
19 organization licensees conducting thoroughbred racing  
20 meetings, the Illinois Thoroughbred Breeders and Owners  
21 Foundation, and the Horsemen's Benevolent Protection  
22 Association have not been recommended by January 1, of each odd  
23 numbered year, the Director of the Department of Agriculture  
24 shall make an appointment for the organization failing to so  
25 recommend a member of the Advisory Board. Advisory Board  
26 members shall receive no compensation for their services as

1 members but shall be reimbursed for all actual and necessary  
2 expenses and disbursements incurred in the execution of their  
3 official duties.

4 (g) No monies shall be expended from the Illinois  
5 Thoroughbred Breeders Fund except as appropriated by the  
6 General Assembly. Monies appropriated from the Illinois  
7 Thoroughbred Breeders Fund shall be expended by the Department  
8 of Agriculture, with the advice and assistance of the Illinois  
9 Thoroughbred Breeders Fund Advisory Board, for the following  
10 purposes only:

11 (1) To provide purse supplements to owners of horses  
12 participating in races limited to Illinois conceived and  
13 foaled and Illinois foaled horses. Any such purse  
14 supplements shall not be included in and shall be paid in  
15 addition to any purses, stakes, or breeders' awards offered  
16 by each organization licensee as determined by agreement  
17 between such organization licensee and an organization  
18 representing the horsemen. No monies from the Illinois  
19 Thoroughbred Breeders Fund shall be used to provide purse  
20 supplements for claiming races in which the minimum  
21 claiming price is less than \$7,500.

22 (2) To provide stakes and awards to be paid to the  
23 owners of the winning horses in certain races limited to  
24 Illinois conceived and foaled and Illinois foaled horses  
25 designated as stakes races.

26 (2.5) To provide an award to the owner or owners of an

1 Illinois conceived and foaled or Illinois foaled horse that  
2 wins a maiden special weight, an allowance, overnight  
3 handicap race, or claiming race with claiming price of  
4 \$10,000 or more providing the race is not restricted to  
5 Illinois conceived and foaled or Illinois foaled horses.  
6 Awards shall also be provided to the owner or owners of  
7 Illinois conceived and foaled and Illinois foaled horses  
8 that place second or third in those races. To the extent  
9 that additional moneys are required to pay the minimum  
10 additional awards of 40% of the purse the horse earns for  
11 placing first, second or third in those races for Illinois  
12 foaled horses and of 60% of the purse the horse earns for  
13 placing first, second or third in those races for Illinois  
14 conceived and foaled horses, those moneys shall be provided  
15 from the purse account at the track where earned.

16 (3) To provide stallion awards to the owner or owners  
17 of any stallion that is duly registered with the Illinois  
18 Thoroughbred Breeders Fund Program ~~prior to the effective~~  
19 ~~date of this amendatory Act of 1995~~ whose duly registered  
20 Illinois conceived and foaled offspring wins a race  
21 conducted at an Illinois thoroughbred racing meeting other  
22 than a claiming race. Such award shall not be paid to the  
23 owner or owners of an Illinois stallion that served outside  
24 this State at any time during the calendar year in which  
25 such race was conducted.

26 (4) To provide \$75,000 annually for purses to be

1 distributed to county fairs that provide for the running of  
2 races during each county fair exclusively for the  
3 thoroughbreds conceived and foaled in Illinois. The  
4 conditions of the races shall be developed by the county  
5 fair association and reviewed by the Department with the  
6 advice and assistance of the Illinois Thoroughbred  
7 Breeders Fund Advisory Board. There shall be no wagering of  
8 any kind on the running of Illinois conceived and foaled  
9 races at county fairs.

10 (4.1) To provide purse money for an Illinois stallion  
11 stakes program.

12 (5) No less than 80% of all monies appropriated from  
13 the Illinois Thoroughbred Breeders Fund shall be expended  
14 for the purposes in (1), (2), (2.5), (3), (4), (4.1), and  
15 (5) as shown above.

16 (6) To provide for educational programs regarding the  
17 thoroughbred breeding industry.

18 (7) To provide for research programs concerning the  
19 health, development and care of the thoroughbred horse.

20 (8) To provide for a scholarship and training program  
21 for students of equine veterinary medicine.

22 (9) To provide for dissemination of public information  
23 designed to promote the breeding of thoroughbred horses in  
24 Illinois.

25 (10) To provide for all expenses incurred in the  
26 administration of the Illinois Thoroughbred Breeders Fund.

1 (h) Whenever the Governor finds that the amount in the  
2 Illinois Thoroughbred Breeders Fund is more than the total of  
3 the outstanding appropriations from such fund, the Governor  
4 shall notify the State Comptroller and the State Treasurer of  
5 such fact. The Comptroller and the State Treasurer, upon  
6 receipt of such notification, shall transfer such excess amount  
7 from the Illinois Thoroughbred Breeders Fund to the General  
8 Revenue Fund.

9 (i) A sum equal to 17% ~~12-1/2%~~ of the first prize money of  
10 every purse won by an Illinois foaled or an Illinois conceived  
11 and foaled horse in races not limited to Illinois foaled horses  
12 or Illinois conceived and foaled horses, or both, shall be paid  
13 by the organization licensee conducting the horse race meeting.  
14 Such sum shall be paid from the organization licensee's share  
15 of the money wagered as follows: 15% ~~11-1/2%~~ to the breeder of  
16 the winning horse and 2% ~~1%~~ to the organization representing  
17 thoroughbred breeders and owners whose representative serves  
18 on the Illinois Thoroughbred Breeders Fund Advisory Board for  
19 verifying the amounts of breeders' awards earned, assuring  
20 their distribution in accordance with this Act, and servicing  
21 and promoting the Illinois thoroughbred horse racing industry.  
22 The organization representing thoroughbred breeders and owners  
23 shall cause all expenditures of monies received under this  
24 subsection (i) to be audited at least annually by a registered  
25 public accountant. The organization shall file copies of each  
26 annual audit with the Racing Board, the Clerk of the House of

1 Representatives and the Secretary of the Senate, and shall make  
2 copies of each annual audit available to the public upon  
3 request and upon payment of the reasonable cost of photocopying  
4 the requested number of copies. Such payments shall not reduce  
5 any award to the owner of the horse or reduce the taxes payable  
6 under this Act. Upon completion of its racing meet, each  
7 organization licensee shall deliver to the organization  
8 representing thoroughbred breeders and owners whose  
9 representative serves on the Illinois Thoroughbred Breeders  
10 Fund Advisory Board a listing of all the Illinois foaled and  
11 the Illinois conceived and foaled horses which won breeders'  
12 awards and the amount of such breeders' awards under this  
13 subsection to verify accuracy of payments and assure proper  
14 distribution of breeders' awards in accordance with the  
15 provisions of this Act. Such payments shall be delivered by the  
16 organization licensee within 30 days of the end of each race  
17 meeting.

18 (j) A sum equal to 17% ~~12 1/2%~~ of the first prize money won  
19 in each race limited to Illinois foaled horses or Illinois  
20 conceived and foaled horses, or both, shall be paid in the  
21 following manner by the organization licensee conducting the  
22 horse race meeting, from the organization licensee's share of  
23 the money wagered: 15% ~~11 1/2%~~ to the breeders of the horses in  
24 each such race which are the official first, second, third and  
25 fourth finishers and 2% ~~1%~~ to the organization representing  
26 thoroughbred breeders and owners whose representative serves

1 on the Illinois Thoroughbred Breeders Fund Advisory Board for  
2 verifying the amounts of breeders' awards earned, assuring  
3 their proper distribution in accordance with this Act, and  
4 servicing and promoting the Illinois thoroughbred horse racing  
5 industry. The organization representing thoroughbred breeders  
6 and owners shall cause all expenditures of monies received  
7 under this subsection (j) to be audited at least annually by a  
8 registered public accountant. The organization shall file  
9 copies of each annual audit with the Racing Board, the Clerk of  
10 the House of Representatives and the Secretary of the Senate,  
11 and shall make copies of each annual audit available to the  
12 public upon request and upon payment of the reasonable cost of  
13 photocopying the requested number of copies.

14 The 17% ~~11 1/2%~~ paid to the breeders in accordance with  
15 this subsection shall be distributed as follows:

16 (1) 60% of such sum shall be paid to the breeder of the  
17 horse which finishes in the official first position;

18 (2) 20% of such sum shall be paid to the breeder of the  
19 horse which finishes in the official second position;

20 (3) 15% of such sum shall be paid to the breeder of the  
21 horse which finishes in the official third position; and

22 (4) 5% of such sum shall be paid to the breeder of the  
23 horse which finishes in the official fourth position.

24 Such payments shall not reduce any award to the owners of a  
25 horse or reduce the taxes payable under this Act. Upon  
26 completion of its racing meet, each organization licensee shall

1 deliver to the organization representing thoroughbred breeders  
2 and owners whose representative serves on the Illinois  
3 Thoroughbred Breeders Fund Advisory Board a listing of all the  
4 Illinois foaled and the Illinois conceived and foaled horses  
5 which won breeders' awards and the amount of such breeders'  
6 awards in accordance with the provisions of this Act. Such  
7 payments shall be delivered by the organization licensee within  
8 30 days of the end of each race meeting.

9 (k) The term "breeder", as used herein, means the owner of  
10 the mare at the time the foal is dropped. An "Illinois foaled  
11 horse" is a foal dropped by a mare which enters this State on  
12 or before December 1, in the year in which the horse is bred,  
13 provided the mare remains continuously in this State until its  
14 foal is born. An "Illinois foaled horse" also means a foal born  
15 of a mare in the same year as the mare enters this State on or  
16 before March 1, and remains in this State at least 30 days  
17 after foaling, is bred back during the season of the foaling to  
18 an Illinois Registered Stallion (unless a veterinarian  
19 certifies that the mare should not be bred for health reasons),  
20 and is not bred to a stallion standing in any other state  
21 during the season of foaling. An "Illinois foaled horse" also  
22 means a foal born in Illinois of a mare purchased at public  
23 auction subsequent to the mare entering this State prior to  
24 March 1 ~~February 1~~ of the foaling year providing the mare is  
25 owned solely by one or more Illinois residents or an Illinois  
26 entity that is entirely owned by one or more Illinois

1 residents.

2 (1) The Department of Agriculture shall, by rule, with the  
3 advice and assistance of the Illinois Thoroughbred Breeders  
4 Fund Advisory Board:

5 (1) Qualify stallions for Illinois breeding; such  
6 stallions to stand for service within the State of Illinois  
7 at the time of a foal's conception. Such stallion must not  
8 stand for service at any place outside the State of  
9 Illinois during the calendar year in which the foal is  
10 conceived. The Department of Agriculture may assess and  
11 collect an application fee of up to \$500 ~~fees~~ for the  
12 registration of each Illinois-eligible stallion ~~stallions~~.  
13 All fees collected are to be paid into the Illinois  
14 Thoroughbred Breeders Fund and with the advice and  
15 assistance of the Illinois Thoroughbred Breeders Fund  
16 Advisory Board shall be used for stallion awards.

17 (2) Provide for the registration of Illinois conceived  
18 and foaled horses and Illinois foaled horses. No such horse  
19 shall compete in the races limited to Illinois conceived  
20 and foaled horses or Illinois foaled horses or both unless  
21 registered with the Department of Agriculture. The  
22 Department of Agriculture may prescribe such forms as are  
23 necessary to determine the eligibility of such horses. The  
24 Department of Agriculture may assess and collect  
25 application fees for the registration of Illinois-eligible  
26 foals. All fees collected are to be paid into the Illinois

1           Thoroughbred Breeders Fund. No person shall knowingly  
2           prepare or cause preparation of an application for  
3           registration of such foals containing false information.

4           (m) The Department of Agriculture, with the advice and  
5           assistance of the Illinois Thoroughbred Breeders Fund Advisory  
6           Board, shall provide that certain races limited to Illinois  
7           conceived and foaled and Illinois foaled horses be stakes races  
8           and determine the total amount of stakes and awards to be paid  
9           to the owners of the winning horses in such races.

10           In determining the stakes races and the amount of awards  
11           for such races, the Department of Agriculture shall consider  
12           factors, including but not limited to, the amount of money  
13           appropriated for the Illinois Thoroughbred Breeders Fund  
14           program, organization licensees' contributions, availability  
15           of stakes caliber horses as demonstrated by past performances,  
16           whether the race can be coordinated into the proposed racing  
17           dates within organization licensees' racing dates, opportunity  
18           for colts and fillies and various age groups to race, public  
19           wagering on such races, and the previous racing schedule.

20           (n) The Board and the organizational licensee shall notify  
21           the Department of the conditions and minimum purses for races  
22           limited to Illinois conceived and foaled and Illinois foaled  
23           horses conducted for each organizational licensee conducting a  
24           thoroughbred racing meeting. The Department of Agriculture  
25           with the advice and assistance of the Illinois Thoroughbred  
26           Breeders Fund Advisory Board may allocate monies for purse

1 supplements for such races. In determining whether to allocate  
2 money and the amount, the Department of Agriculture shall  
3 consider factors, including but not limited to, the amount of  
4 money appropriated for the Illinois Thoroughbred Breeders Fund  
5 program, the number of races that may occur, and the  
6 organizational licensee's purse structure.

7 (o) ~~(Blank). In order to improve the breeding quality of~~  
8 ~~thoroughbred horses in the State, the General Assembly~~  
9 ~~recognizes that existing provisions of this Section to~~  
10 ~~encourage such quality breeding need to be revised and~~  
11 ~~strengthened. As such, a Thoroughbred Breeder's Program Task~~  
12 ~~Force is to be appointed by the Governor by September 1, 1999~~  
13 ~~to make recommendations to the General Assembly by no later~~  
14 ~~than March 1, 2000. This task force is to be composed of 2~~  
15 ~~representatives from the Illinois Thoroughbred Breeders and~~  
16 ~~Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's~~  
17 ~~Association, 3 from Illinois race tracks operating~~  
18 ~~thoroughbred race meets for an average of at least 30 days in~~  
19 ~~the past 3 years, the Director of Agriculture, the Executive~~  
20 ~~Director of the Racing Board, who shall serve as Chairman.~~

21 (Source: P.A. 91-40, eff. 6-25-99.)

22 (230 ILCS 5/30.5)

23 Sec. 30.5. Illinois Quarter Horse Breeders Fund.

24 (a) The General Assembly declares that it is the policy of  
25 this State to encourage the breeding of racing quarter horses

1 in this State and the ownership of such horses by residents of  
2 this State in order to provide for sufficient numbers of high  
3 quality racing quarter horses in this State and to establish  
4 and preserve the agricultural and commercial benefits of such  
5 breeding and racing industries to the State of Illinois. It is  
6 the intent of the General Assembly to further this policy by  
7 the provisions of this Act.

8 (b) There is hereby created a special fund in the State  
9 Treasury to be known as the Illinois Racing Quarter Horse  
10 Breeders Fund. Except as provided in subsection (g) of Section  
11 27 of this Act, 8.5% of all the moneys received by the State as  
12 pari-mutuel taxes on quarter horse racing shall be paid into  
13 the Illinois Racing Quarter Horse Breeders Fund.

14 (c) The Illinois Racing Quarter Horse Breeders Fund shall  
15 be administered by the Department of Agriculture with the  
16 advice and assistance of the Advisory Board created in  
17 subsection (d) of this Section.

18 (d) The Illinois Racing Quarter Horse Breeders Fund  
19 Advisory Board shall consist of the Director of the Department  
20 of Agriculture, who shall serve as Chairman; a member of the  
21 Illinois Racing Board, designated by it; one representative of  
22 the organization licensees conducting pari-mutuel quarter  
23 horse racing meetings, recommended by them; 2 representatives  
24 of the Illinois Running Quarter Horse Association, recommended  
25 by it; and the Superintendent of Fairs and Promotions from the  
26 Department of Agriculture. Advisory Board members shall serve

1 for 2 years commencing January 1 of each odd numbered year. If  
2 representatives have not been recommended by January 1 of each  
3 odd numbered year, the Director of the Department of  
4 Agriculture may make an appointment for the organization  
5 failing to so recommend a member of the Advisory Board.  
6 Advisory Board members shall receive no compensation for their  
7 services as members but may be reimbursed for all actual and  
8 necessary expenses and disbursements incurred in the execution  
9 of their official duties.

10 (e) No moneys shall be expended from the Illinois Racing  
11 Quarter Horse Breeders Fund except as appropriated by the  
12 General Assembly. Moneys appropriated from the Illinois Racing  
13 Quarter Horse Breeders Fund shall be expended by the Department  
14 of Agriculture, with the advice and assistance of the Illinois  
15 Racing Quarter Horse Breeders Fund Advisory Board, for the  
16 following purposes only:

17 (1) To provide stakes and awards to be paid to the  
18 owners of the winning horses in certain races. This  
19 provision is limited to Illinois conceived and foaled  
20 horses.

21 (2) To provide an award to the owner or owners of an  
22 Illinois conceived and foaled horse that wins a race when  
23 pari-mutuel wagering is conducted; providing the race is  
24 not restricted to Illinois conceived and foaled horses.

25 (3) To provide purse money for an Illinois stallion  
26 stakes program.

1           (4) To provide for purses to be distributed for the  
2 running of races during the Illinois State Fair and the  
3 DuQuoin State Fair exclusively for quarter horses  
4 conceived and foaled in Illinois.

5           (5) To provide for purses to be distributed for the  
6 running of races at Illinois county fairs exclusively for  
7 quarter horses conceived and foaled in Illinois.

8           (6) To provide for purses to be distributed for running  
9 races exclusively for quarter horses conceived and foaled  
10 in Illinois at locations in Illinois determined by the  
11 Department of Agriculture with advice and consent of the  
12 Racing Quarter Horse Breeders Fund Advisory Board.

13           (7) No less than 90% of all moneys appropriated from  
14 the Illinois Racing Quarter Horse Breeders Fund shall be  
15 expended for the purposes in items (1), (2), (3), (4), and  
16 (5) of this subsection (e).

17           (8) To provide for research programs concerning the  
18 health, development, and care of racing quarter horses.

19           (9) To provide for dissemination of public information  
20 designed to promote the breeding of racing quarter horses  
21 in Illinois.

22           (10) To provide for expenses incurred in the  
23 administration of the Illinois Racing Quarter Horse  
24 Breeders Fund.

25           (f) The Department of Agriculture shall, by rule, with the  
26 advice and assistance of the Illinois Racing Quarter Horse

1 Breeders Fund Advisory Board:

2 (1) Qualify stallions for Illinois breeding; such  
3 stallions to stand for service within the State of  
4 Illinois, at the time of a foal's conception. Such stallion  
5 must not stand for service at any place outside the State  
6 of Illinois during the calendar year in which the foal is  
7 conceived. The Department of Agriculture may assess and  
8 collect application fees for the registration of  
9 Illinois-eligible stallions. All fees collected are to be  
10 paid into the Illinois Racing Quarter Horse Breeders Fund.

11 (2) Provide for the registration of Illinois conceived  
12 and foaled horses. No such horse shall compete in the races  
13 limited to Illinois conceived and foaled horses unless it  
14 is registered with the Department of Agriculture. The  
15 Department of Agriculture may prescribe such forms as are  
16 necessary to determine the eligibility of such horses. The  
17 Department of Agriculture may assess and collect  
18 application fees for the registration of Illinois-eligible  
19 foals. All fees collected are to be paid into the Illinois  
20 Racing Quarter Horse Breeders Fund. No person shall  
21 knowingly prepare or cause preparation of an application  
22 for registration of such foals that contains false  
23 information.

24 (3) Allow 150 days after the effective date of this  
25 amendatory Act of the 95th General Assembly to grandfather  
26 any quarter horse conceived and foaled in Illinois into the

1           Illinois Racing Quarter Horse Breeders Fund Program of the  
2           Illinois Department of Agriculture.

3           (g) The Department of Agriculture, with the advice and  
4 assistance of the Illinois Racing Quarter Horse Breeders Fund  
5 Advisory Board, shall provide that certain races limited to  
6 Illinois conceived and foaled be stakes races and determine the  
7 total amount of stakes and awards to be paid to the owners of  
8 the winning horses in such races.

9           (Source: P.A. 91-40, eff. 6-25-99.)

10           (230 ILCS 5/31)   (from Ch. 8, par. 37-31)

11           Sec. 31. (a) The General Assembly declares that it is the  
12 policy of this State to encourage the breeding of standardbred  
13 horses in this State and the ownership of such horses by  
14 residents of this State in order to provide for: sufficient  
15 numbers of high quality standardbred horses to participate in  
16 harness racing meetings in this State, and to establish and  
17 preserve the agricultural and commercial benefits of such  
18 breeding and racing industries to the State of Illinois. It is  
19 the intent of the General Assembly to further this policy by  
20 the provisions of this Section of this Act.

21           (b) Each organization licensee conducting a harness racing  
22 meeting pursuant to this Act shall provide for at least two  
23 races each race program limited to Illinois conceived and  
24 foaled horses. A minimum of 6 races shall be conducted each  
25 week limited to Illinois conceived and foaled horses. No horses

1 shall be permitted to start in such races unless duly  
2 registered under the rules of the Department of Agriculture.

3 (b-5) Each organization licensee conducting a harness  
4 racing meeting pursuant to this Act shall provide stakes races  
5 and early closer races for Illinois conceived and foaled horses  
6 so the total purses distributed for such races shall be no less  
7 than an amount equal to (i) the total of the horsemen's  
8 payments and entry fees, plus (ii) 17% of the total purses  
9 distributed at the meeting.

10 (b-10) Each organization licensee conducting a harness  
11 racing meeting pursuant to this Act shall provide an owner  
12 award to be paid from the purse account equal to 25% of the  
13 amount earned by Illinois conceived and foaled horses in races  
14 that are not restricted to Illinois conceived and foaled  
15 horses.

16 (c) Conditions of races under subsection (b) shall be  
17 commensurate with past performance, quality and class of  
18 Illinois conceived and foaled horses available. If, however,  
19 sufficient competition cannot be had among horses of that class  
20 on any day, the races may, with consent of the Board, be  
21 eliminated for that day and substitute races provided.

22 (d) There is hereby created a special fund of the State  
23 Treasury to be known as the Illinois Standardbred Breeders  
24 Fund.

25 During the calendar year 1981, and each year thereafter,  
26 except as provided in subsection (g) of Section 27 of this Act,

1 eight and one-half per cent of all the monies received by the  
2 State as privilege taxes on harness racing meetings shall be  
3 paid into the Illinois Standardbred Breeders Fund.

4 (e) The Illinois Standardbred Breeders Fund shall be  
5 administered by the Department of Agriculture with the  
6 assistance and advice of the Advisory Board created in  
7 subsection (f) of this Section.

8 (f) The Illinois Standardbred Breeders Fund Advisory Board  
9 is hereby created. The Advisory Board shall consist of the  
10 Director of the Department of Agriculture, who shall serve as  
11 Chairman; the Superintendent of the Illinois State Fair; a  
12 member of the Illinois Racing Board, designated by it; a  
13 representative of the Illinois Standardbred Owners and  
14 Breeders Association, recommended by it; a representative of  
15 the Illinois Association of Agricultural Fairs, recommended by  
16 it, such representative to be from a fair at which Illinois  
17 conceived and foaled racing is conducted; a representative of  
18 the organization licensees conducting harness racing meetings,  
19 recommended by them and a representative of the Illinois  
20 Harness Horsemen's Association, recommended by it. Advisory  
21 Board members shall serve for 2 years commencing January 1, of  
22 each odd numbered year. If representatives of the Illinois  
23 Standardbred Owners and Breeders Associations, the Illinois  
24 Association of Agricultural Fairs, the Illinois Harness  
25 Horsemen's Association, and the organization licensees  
26 conducting harness racing meetings have not been recommended by

1 January 1, of each odd numbered year, the Director of the  
2 Department of Agriculture shall make an appointment for the  
3 organization failing to so recommend a member of the Advisory  
4 Board. Advisory Board members shall receive no compensation for  
5 their services as members but shall be reimbursed for all  
6 actual and necessary expenses and disbursements incurred in the  
7 execution of their official duties.

8 (g) No monies shall be expended from the Illinois  
9 Standardbred Breeders Fund except as appropriated by the  
10 General Assembly. Monies appropriated from the Illinois  
11 Standardbred Breeders Fund shall be expended by the Department  
12 of Agriculture, with the assistance and advice of the Illinois  
13 Standardbred Breeders Fund Advisory Board for the following  
14 purposes only:

15 1. To provide purses for races limited to Illinois  
16 conceived and foaled horses at the State Fair and the  
17 DuQuoin State Fair.

18 2. To provide purses for races limited to Illinois  
19 conceived and foaled horses at county fairs.

20 3. To provide purse supplements for races limited to  
21 Illinois conceived and foaled horses conducted by  
22 associations conducting harness racing meetings.

23 4. No less than 75% of all monies in the Illinois  
24 Standardbred Breeders Fund shall be expended for purses in  
25 1, 2 and 3 as shown above.

26 4.5. To provide for bonus programs to pay owners of

1       horses that win multiple stake races that are restricted to  
2       Illinois conceived and foaled horses.

3           5. In the discretion of the Department of Agriculture  
4       to provide awards to harness breeders of Illinois conceived  
5       and foaled horses which win races conducted by organization  
6       licensees conducting harness racing meetings. A breeder is  
7       the owner of a mare at the time of conception. No more than  
8       10% of all monies appropriated from the Illinois  
9       Standardbred Breeders Fund shall be expended for such  
10      harness breeders awards. No more than 25% of the amount  
11      expended for harness breeders awards shall be expended for  
12      expenses incurred in the administration of such harness  
13      breeders awards.

14          6. To pay for the improvement of racing facilities  
15      located at the State Fair and County fairs.

16          7. To pay the expenses incurred in the administration  
17      of the Illinois Standardbred Breeders Fund.

18          8. To promote the sport of harness racing, including  
19      grants up to a maximum of \$7,500 per fair per year for the  
20      cost of a totalizator system to be used for conducting  
21      pari-mutuel wagering during the advertised dates of a  
22      county fair.

23          (h) Whenever the Governor finds that the amount in the  
24      Illinois Standardbred Breeders Fund is more than the total of  
25      the outstanding appropriations from such fund, the Governor  
26      shall notify the State Comptroller and the State Treasurer of

1 such fact. The Comptroller and the State Treasurer, upon  
2 receipt of such notification, shall transfer such excess amount  
3 from the Illinois Standardbred Breeders Fund to the General  
4 Revenue Fund.

5 (i) A sum equal to 12 1/2% of the first prize money of the  
6 gross ~~every~~ purse won by an Illinois conceived and foaled horse  
7 shall be paid by the organization licensee conducting the horse  
8 race meeting to the breeder of such winning horse from the  
9 organization licensee's account ~~share of the money wagered~~.  
10 Such payment shall not reduce any award to the owner of the  
11 horse or reduce the taxes payable under this Act. Such payment  
12 shall be delivered by the organization licensee at the end of  
13 each month ~~race meeting~~.

14 (j) The Department of Agriculture shall, by rule, with the  
15 assistance and advice of the Illinois Standardbred Breeders  
16 Fund Advisory Board:

17 1. Qualify stallions for Illinois Standardbred Breeders  
18 Fund breeding; such stallion shall be owned by a resident of  
19 the State of Illinois or by an Illinois corporation all of  
20 whose shareholders, directors, officers and incorporators are  
21 residents of the State of Illinois. Such stallion shall stand  
22 for service at and within the State of Illinois at the time of  
23 a foal's conception, and such stallion must not stand for  
24 service at any place, ~~nor may semen from such stallion be~~  
25 ~~transported,~~ outside the State of Illinois during that calendar  
26 year in which the foal is conceived and that the owner of the

1 stallion was for the 12 months prior, a resident of Illinois.  
2 The articles of agreement of any partnership, joint venture,  
3 limited partnership, syndicate, association or corporation and  
4 any bylaws and stock certificates must contain a restriction  
5 that provides that the ownership or transfer of interest by any  
6 one of the persons a party to the agreement can only be made to  
7 a person who qualifies as an Illinois resident. Foals conceived  
8 outside the State of Illinois from shipped semen from a  
9 stallion qualified for breeders' awards under this Section are  
10 not eligible to participate in the Illinois conceived and  
11 foaled program.

12 2. Provide for the registration of Illinois conceived and  
13 foaled horses and no such horse shall compete in the races  
14 limited to Illinois conceived and foaled horses unless  
15 registered with the Department of Agriculture. The Department  
16 of Agriculture may prescribe such forms as may be necessary to  
17 determine the eligibility of such horses. No person shall  
18 knowingly prepare or cause preparation of an application for  
19 registration of such foals containing false information. A mare  
20 (dam) must be in the state at least 30 days prior to foaling or  
21 remain in the State at least 30 days at the time of foaling.  
22 Beginning with the 1996 breeding season and for foals of 1997  
23 and thereafter, a foal conceived in the State of Illinois by  
24 transported fresh semen may be eligible for Illinois conceived  
25 and foaled registration provided all breeding and foaling  
26 requirements are met. The stallion must be qualified for

1 Illinois Standardbred Breeders Fund breeding at the time of  
2 conception and the mare must be inseminated within the State of  
3 Illinois. The foal must be dropped in Illinois and properly  
4 registered with the Department of Agriculture in accordance  
5 with this Act.

6 3. Provide that at least a 5 day racing program shall be  
7 conducted at the State Fair each year, which program shall  
8 include at least the following races limited to Illinois  
9 conceived and foaled horses: (a) a two year old Trot and Pace,  
10 and Filly Division of each; (b) a three year old Trot and Pace,  
11 and Filly Division of each; (c) an aged Trot and Pace, and Mare  
12 Division of each.

13 4. Provide for the payment of nominating, sustaining and  
14 starting fees for races promoting the sport of harness racing  
15 and for the races to be conducted at the State Fair as provided  
16 in subsection (j) 3 of this Section provided that the  
17 nominating, sustaining and starting payment required from an  
18 entrant shall not exceed 2% of the purse of such race. All  
19 nominating, sustaining and starting payments shall be held for  
20 the benefit of entrants and shall be paid out as part of the  
21 respective purses for such races. Nominating, sustaining and  
22 starting fees shall be held in trust accounts for the purposes  
23 as set forth in this Act and in accordance with Section 205-15  
24 of the Department of Agriculture Law (20 ILCS 205/205-15).

25 5. Provide for the registration with the Department of  
26 Agriculture of Colt Associations or county fairs desiring to

1 sponsor races at county fairs.

2 (k) The Department of Agriculture, with the advice and  
3 assistance of the Illinois Standardbred Breeders Fund Advisory  
4 Board, may allocate monies for purse supplements for such  
5 races. In determining whether to allocate money and the amount,  
6 the Department of Agriculture shall consider factors,  
7 including but not limited to, the amount of money appropriated  
8 for the Illinois Standardbred Breeders Fund program, the number  
9 of races that may occur, and an organizational licensee's purse  
10 structure. The organizational licensee shall notify the  
11 Department of Agriculture of the conditions and minimum purses  
12 for races limited to Illinois conceived and foaled horses to be  
13 conducted by each organizational licensee conducting a harness  
14 racing meeting for which purse supplements have been  
15 negotiated.

16 (l) All races held at county fairs and the State Fair which  
17 receive funds from the Illinois Standardbred Breeders Fund  
18 shall be conducted in accordance with the rules of the United  
19 States Trotting Association unless otherwise modified by the  
20 Department of Agriculture.

21 (m) At all standardbred race meetings held or conducted  
22 under authority of a license granted by the Board, and at all  
23 standardbred races held at county fairs which are approved by  
24 the Department of Agriculture or at the Illinois or DuQuoin  
25 State Fairs, no one shall jog, train, warm up or drive a  
26 standardbred horse unless he or she is wearing a protective

1 safety helmet, with the chin strap fastened and in place, which  
2 meets the standards and requirements as set forth in the 1984  
3 Standard for Protective Headgear for Use in Harness Racing and  
4 Other Equestrian Sports published by the Snell Memorial  
5 Foundation, or any standards and requirements for headgear the  
6 Illinois Racing Board may approve. Any other standards and  
7 requirements so approved by the Board shall equal or exceed  
8 those published by the Snell Memorial Foundation. Any  
9 equestrian helmet bearing the Snell label shall be deemed to  
10 have met those standards and requirements.

11 (Source: P.A. 91-239, eff. 1-1-00.)

12 (230 ILCS 5/31.2 new)

13 Sec. 31.2. Racing Industry Workers' Trust Fund; advisory  
14 board.

15 (a) The General Assembly finds that backstretch workers  
16 play a critical role in the success and prosperity of the  
17 racing industry. The General Assembly finds that there is a  
18 need to improve the quality and viability of live racing in  
19 Illinois by providing new resources to increase purse sizes and  
20 to improve race track facilities. The General Assembly finds  
21 that there is a concomitant responsibility and duty to address  
22 the human service and housing needs of backstretch workers.

23 (b) There is hereby created a non-appropriated trust fund  
24 to be known as the Racing Industry Workers' Trust Fund, which  
25 is administered by the Board and held separate and apart from

1 State moneys. The Fund shall consist of moneys paid into it  
2 under subsection (b) of Section 56 of this Act.

3 (c) The Board is authorized to use funds in the Racing  
4 Industry Workers' Trust Fund to fund programs and initiatives  
5 that improve the quality of life of backstretch workers.  
6 Initiatives funded by the Board shall address needs such as  
7 illiteracy, substance dependence, primary health care, child  
8 care, housing, and any other social service need determined by  
9 the Board.

10 (d) On December 31st of each year the Board shall report to  
11 the General Assembly and the Governor on the programs funded by  
12 the Board during the preceding fiscal year, the number of  
13 persons served, and the working and living conditions of  
14 backstretch workers.

15 (e) The Board shall appoint a Backstretch Programs Advisory  
16 Board, who shall report to and advise the Board on matters  
17 concerning backstretch conditions and needs. The Backstretch  
18 Programs Advisory Board shall consist of the following 7  
19 members:

20 (1) 2 persons who represent the interests of an  
21 organization licensee;

22 (2) one person who represents the interests of  
23 standardbred horsemen;

24 (3) one person who represents the interests of  
25 thoroughbred horsemen;

26 (4) one person who is or was a backstretch worker;

1           (5) one person who advocates on behalf of backstretch  
2           workers; and

3           (6) one person who has significant experience in  
4           administering social services.

5           (f) The Board shall hire, in its sole discretion, a  
6           backstretch workers' Program Coordinator who shall serve under  
7           the direction of the Board to supervise and coordinate the  
8           programs funded by the Racing Industry Workers' Trust Fund. The  
9           Program Coordinator shall be paid from the Racing Industry  
10           Workers' Trust Fund.

11           (230 ILCS 5/31.3 new)

12           Sec. 31.3. Illinois Equine Research Trust Fund. There is  
13           created a trust fund to be known as the Illinois Equine  
14           Research Trust Fund, which is administered by the Department of  
15           Agriculture and held separate and apart from State moneys. The  
16           Fund shall consist of moneys paid into it under subsection (b)  
17           of Section 56 of this Act. The Department may use funds in the  
18           Illinois Equine Research Trust Fund to award 2 equal grants to  
19           the University of Illinois and to Southern Illinois University  
20           for equine research. The total amount of each grant award shall  
21           be used for only the direct costs of research.

22           (230 ILCS 5/34.3 new)

23           Sec. 34.3. Drug testing. The Illinois Racing Board and the  
24           Department of Agriculture shall jointly establish a program for

1 the purpose of conducting random drug testing of horses at  
2 county fairs and shall adopt any rules necessary for  
3 enforcement of the program. The rules shall include appropriate  
4 penalties for violations.

5 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

6 Sec. 36. (a) Whoever administers or conspires to administer  
7 to any horse a hypnotic, narcotic, stimulant, depressant or any  
8 chemical substance which may affect the speed of a horse at any  
9 time in any race where the purse or any part of the purse is  
10 made of money authorized by any Section of this Act, except  
11 those chemical substances permitted by ruling of the Board,  
12 internally, externally or by hypodermic method in a race or  
13 prior thereto, or whoever knowingly enters a horse in any race  
14 within a period of 24 hours after any hypnotic, narcotic,  
15 stimulant, depressant or any other chemical substance which may  
16 affect the speed of a horse at any time, except those chemical  
17 substances permitted by ruling of the Board, has been  
18 administered to such horse either internally or externally or  
19 by hypodermic method for the purpose of increasing or retarding  
20 the speed of such horse shall be guilty of a Class 4 felony.  
21 The Board shall suspend or revoke such violator's license.

22 (b) The term "hypnotic" as used in this Section includes  
23 all barbituric acid preparations and derivatives.

24 (c) The term "narcotic" as used in this Section includes  
25 opium and all its alkaloids, salts, preparations and

1 derivatives, cocaine and all its salts, preparations and  
2 derivatives and substitutes.

3 (d) The provisions of this Section 36 and the treatment  
4 authorized herein apply to horses entered in and competing in  
5 race meetings as defined in Section 3.47 of this Act and to  
6 horses entered in and competing at any county fair.

7 (e) Drug testing for horses entered in and competing at any  
8 county fair shall be conducted by the Department of  
9 Agriculture, with the advice and assistance of the Board. The  
10 Department of Agriculture, with the assistance of the Board,  
11 shall adopt rules for drug testing, for horses entered in and  
12 competing at any county fair.

13 (Source: P.A. 79-1185.)

14 (230 ILCS 5/42) (from Ch. 8, par. 37-42)

15 Sec. 42. (a) Except as to the distribution of monies  
16 provided for by Sections 28, 29, 30, and 31 and the treating of  
17 horses as provided in Section 36, nothing whatsoever in this  
18 Act shall be held or taken to apply to county fairs and State  
19 Fairs or to agricultural and livestock exhibitions where the  
20 pari-mutuel system of wagering upon the result of horses is not  
21 permitted or conducted.

22 (b) Nothing herein shall be construed to permit the  
23 pari-mutuel method of wagering upon any race track unless such  
24 race track is licensed under this Act. It is hereby declared to  
25 be unlawful for any person to permit, conduct or supervise upon

1 any race track ground the pari-mutuel method of wagering except  
2 in accordance with the provisions of this Act.

3 (c) Whoever violates subsection (b) of this Section is  
4 guilty of a Class 4 felony.

5 (Source: P.A. 89-16, eff. 5-30-95.)

6 (230 ILCS 5/45) (from Ch. 8, par. 37-45)

7 Sec. 45. It shall be the duty of the Attorney General and  
8 the various State's attorneys in this State in cooperation with  
9 the Office of Gaming Enforcement ~~Department of State Police~~ to  
10 enforce this Act. The Director of Gaming Enforcement ~~Governor~~  
11 may, upon request of the Board ~~Department of State Police~~,  
12 order the law enforcing officers of the various cities and  
13 counties to assign a sufficient number of deputies to aid  
14 ~~members of the Department of State Police~~ in preventing horse  
15 racing at any track within the respective jurisdiction of such  
16 cities or counties an organization license for which has been  
17 refused, suspended or revoked by the Board. The Director of  
18 Gaming Enforcement ~~Governor~~ may ~~similarly~~ assign ~~such~~ deputies  
19 to aid the local law enforcement ~~Department of State Police~~  
20 when, by his determination, additional forces are needed to  
21 preserve the health, welfare or safety of any person or animal  
22 within the grounds of any race track in the State.

23 (Source: P.A. 84-25.)

24 (230 ILCS 5/54.5)

1 (Section scheduled to be repealed on May 26, 2008)

2 Sec. 54.5. Horse Racing Equity Trust Fund.

3 (a) There is created a Fund to be known as the Horse Racing  
4 Equity Trust Fund, which is a non-appropriated trust fund held  
5 separate and apart from State moneys. The Fund shall consist of  
6 moneys paid into it by owners licensees under the Illinois  
7 ~~Riverboat~~ Gambling Act for the purposes described in this  
8 Section. The Fund shall be administered by the Board. Moneys in  
9 the Fund shall be distributed as directed and certified by the  
10 Board in accordance with the provisions of subsection (b).

11 (b) The moneys deposited into the Fund, plus any accrued  
12 interest on those moneys, shall be distributed within 10 days  
13 after those moneys are deposited into the Fund as follows:

14 (1) Sixty percent of all moneys distributed under this  
15 subsection shall be distributed to organization licensees  
16 to be distributed at their race meetings as purses.  
17 Fifty-seven percent of the amount distributed under this  
18 paragraph (1) shall be distributed for thoroughbred race  
19 meetings and 43% shall be distributed for standardbred race  
20 meetings. Within each breed, moneys shall be allocated to  
21 each organization licensee's purse fund in accordance with  
22 the ratio between the purses generated for that breed by  
23 that licensee during the prior calendar year and the total  
24 purses generated throughout the State for that breed during  
25 the prior calendar year by licensees in the current  
26 calendar year.

1           (2) The remaining 40% of the moneys distributed under  
2 this subsection (b) shall be distributed as follows:

3           (A) 11% shall be distributed to any person (or its  
4 successors or assigns) who had operating control of a  
5 racetrack that conducted live racing in 2002 at a  
6 racetrack in a county with at least 230,000 inhabitants  
7 that borders the Mississippi River and is a licensee in  
8 the current year; and

9           (B) the remaining 89% shall be distributed pro rata  
10 according to the aggregate proportion of total handle  
11 from wagering on live races conducted in Illinois  
12 (irrespective of where the wagers are placed) for  
13 calendar years 2004 and 2005 to any person (or its  
14 successors or assigns) who (i) had majority operating  
15 control of a racing facility at which live racing was  
16 conducted in calendar year 2002, (ii) is a licensee in  
17 the current year, and (iii) is not eligible to receive  
18 moneys under subparagraph (A) of this paragraph (2).

19           The moneys received by an organization licensee  
20 under this paragraph (2) shall be used by each  
21 organization licensee to improve, maintain, market,  
22 and otherwise operate its racing facilities to conduct  
23 live racing, which shall include backstretch services  
24 and capital improvements related to live racing and the  
25 backstretch. Any organization licensees sharing common  
26 ownership may pool the moneys received and spent at all

1 racing facilities commonly owned in order to meet these  
2 requirements.

3 If any person identified in this paragraph (2) becomes  
4 ineligible to receive moneys from the Fund, such amount  
5 shall be redistributed among the remaining persons in  
6 proportion to their percentages otherwise calculated.

7 (c) The Board shall monitor organization licensees to  
8 ensure that moneys paid to organization licensees under this  
9 Section are distributed by the organization licensees as  
10 provided in subsection (b).

11 (d) The Horse Racing Equity Trust Fund shall not be subject  
12 to administrative charges or charge backs, including, but not  
13 limited to, those authorized under Section 8h of the State  
14 Finance Act.

15 ~~(d) This Section is repealed 2 years after the effective~~  
16 ~~date of this amendatory Act of the 94th General Assembly.~~

17 (Source: P.A. 94-804, eff. 5-26-06.)

18 (230 ILCS 5/56 new)

19 Sec. 56. Electronic gaming.

20 (a) An organization licensee may apply to the Gaming Board  
21 for an electronic gaming license pursuant to Section 7.7 of the  
22 Illinois Gambling Act. An electronic gaming licensee may not  
23 permit persons under 21 years of age to be present in its  
24 electronic gaming facility, but the licensee may accept wagers  
25 on live racing and inter-track wagers at its electronic gaming

1 facility.

2 (a-5) An amount equal to 15% of the total adjusted gross  
3 receipts received by an electronic gaming licensee from  
4 electronic gaming shall be paid to purse accounts.

5 Moneys paid into purse equity accounts by licensees at  
6 tracks located in counties other than Madison County shall be  
7 maintained separately from moneys paid into purse equity  
8 accounts by a licensee at a track located in Madison County.

9 Of the moneys paid to purse equity accounts by an  
10 electronic gaming licensee located in a county other than  
11 Madison County, 57% of the moneys shall be paid into a single  
12 thoroughbred purse pool and 43% of the moneys shall be paid  
13 into a single standardbred purse pool. Each calendar year,  
14 moneys in the thoroughbred purse pool shall be distributed  
15 equally for each awarded racing date to the thoroughbred purse  
16 accounts of each organization licensee that paid money into the  
17 thoroughbred purse pool. Each calendar year, moneys in the  
18 standardbred purse pool shall be distributed equally for each  
19 awarded racing date to the standardbred purse accounts of each  
20 organization licensee that paid money into the standardbred  
21 purse pool.

22 Of the moneys paid into purse equity accounts by an  
23 electronic gaming licensee located in Madison County, 70% shall  
24 be paid to its thoroughbred purse account and 30% shall be paid  
25 to its standardbred purse account.

26 (b) After payment required under subsection (a-5) of this

1 Section and Section 13 of the Illinois Gambling Act, the  
2 adjusted gross receipts received by all electronic gaming  
3 licensees from electronic gaming shall be distributed as  
4 follows:

5 (1) a total of \$4,100,000 annually shall be paid to the  
6 Illinois Colt Stakes Purse Distribution Fund;

7 (2) a total of \$250,000 annually shall be paid to the  
8 Illinois Racing Quarter Horse Breeders Fund;

9 (3) a total of \$500,000 annually shall be paid to the  
10 Illinois Equine Research Trust Fund;

11 (4) a total of \$1,000,000 annually shall be paid to the  
12 Racing Industry Workers' Trust Fund;

13 (5) an amount equal to 2.25% of adjusted gross receipts  
14 from each electronic gaming licensee shall be paid to the  
15 Illinois Thoroughbred Breeders Fund and the Illinois  
16 Standardbred Breeders Fund, divided pro rata based on the  
17 proportion of live thoroughbred racing and live  
18 standardbred racing conducted at that licensee's race  
19 track; and

20 (6) an amount equal to 0.25% of adjusted gross receipts  
21 from each electronic gaming licensee shall be paid to the  
22 licensee's live racing and horse ownership promotional  
23 account; and

24 (7) the remainder shall be retained by the licensee.

25 (c) The moneys collected pursuant to items (1), (2), (3),  
26 and (4) of subsection (b) of this Section is payable by the

1 licensees on a pro-rated basis, based on each licensee's  
2 adjusted gross receipts. The Illinois Gaming Board shall  
3 provide the Illinois Racing Board with the information needed  
4 to make this determination. The Illinois Racing Board shall  
5 adopt rules for the administration of this Section.

6 (d) Moneys distributed under this subsection (b) shall be  
7 distributed as directed by the Board.

8 (e) As a condition of licensure, an electronic gaming  
9 licensee must expend an amount equal to the sum of (i) amounts  
10 expended in 2007; (ii) the amounts required in item (6) of  
11 subsection (b) of this Section; and (iii) the amount of  
12 pari-mutuel tax credit received under Section 32.1 of this Act  
13 for the purpose of live racing and horse ownership promotion.  
14 The Board shall adopt rules to enforce this subsection (e),  
15 including reasonable fines and penalties for noncompliance.

16 (230 ILCS 5/57 new)

17 Sec. 57. Compliance report.

18 (a) The Board shall prepare a report twice per year  
19 regarding the compliance of each electronic gaming licensee  
20 with this Act and the electronic gaming licensee's support of  
21 live racing. The Board shall determine whether each electronic  
22 gaming licensee has maintained an appropriate level of live  
23 horse racing. In making that determination, the Board shall  
24 consider all of the following factors:

25 (1) The increase, if any, in the on-track handle at the

1 race track where the electronic gaming facility is located.

2 (2) The increase, if any, in purses at the racing  
3 facility where electronic gaming facility is located.

4 (3) Investments in capital improvements made by the  
5 organization licensee to the racing facility, excluding  
6 electronic gaming areas.

7 (b) If the Board finds that a licensee has failed to comply  
8 with this Act or has substantially failed to support live  
9 racing, then the Board may do any of the following:

10 (1) Issue a warning to the organization licensee.

11 (2) Impose a civil penalty upon the organization  
12 licensee.

13 (3) Recommend to the Illinois Gaming Board that the  
14 organization licensee's electronic gaming license be  
15 suspended or revoked. If the Illinois Gaming Board does not  
16 accept the Illinois Racing Board's recommendation to  
17 suspend or revoke the electronic gaming license, then they  
18 must provide a written, detailed explanation for why such  
19 conduct does not merit revocation. If 2 succeeding  
20 recommendations for revocation of an electronic gaming  
21 license are given by the Illinois Racing Board to the  
22 Illinois Gaming Board, then the electronic gaming license  
23 shall be automatically revoked. The gaming positions  
24 associated with the revoked electronic gaming license  
25 shall be retained by the Illinois Gaming Board and  
26 allocated in equal amounts to the remaining electronic

1        gaming licensees as provided in Section 7.7 of the Illinois  
2        Gambling Act.

3            Section 90-40. The Riverboat Gambling Act is amended by  
4 changing Sections 1, 2, 3, 4, 5, 5.1, 6, 7, 7.3, 7.4, 7.5, 8, 9,  
5 11, 11.1, 11.2, 12, 13, 14, 17, 18, 19, and 20 and by adding  
6 Sections 5.2, 5.3, 5.4, 5.5, 5.7, 7.6, 7.7, 7.8, 7.10, 7.11,  
7 7.11a, 7.12, 7.14, 7.15, 7.25, 7.30, 9.3, 9.5, 12.1, 13.2,  
8 14.5, 17.2, 22.5, and 22.6 as follows:

9            (230 ILCS 10/1) (from Ch. 120, par. 2401)

10          Sec. 1. Short title. This Act shall be known and may be  
11 cited as the Illinois ~~Riverboat~~ Gambling Act.

12 (Source: P.A. 86-1029.)

13            (230 ILCS 10/2) (from Ch. 120, par. 2402)

14          Sec. 2. Legislative intent; findings ~~Intent~~.

15          (a) This Act is intended to benefit the people of the State  
16 of Illinois by assisting economic development and promoting  
17 Illinois tourism and by increasing the amount of revenues  
18 available to the State for infrastructure and capital programs  
19 and to assist and support education.

20          (b) While authorization of riverboat gambling will enhance  
21 investment, development and tourism in Illinois, it is  
22 recognized that it will do so successfully only if public  
23 confidence and trust in the credibility and integrity of the

1 gambling operations and the regulatory process is maintained.  
2 Therefore, regulatory provisions of this Act are designed to  
3 strictly regulate the facilities, persons, associations and  
4 practices related to gambling operations pursuant to the police  
5 powers of the State, including comprehensive law enforcement  
6 supervision.

7 (c) The Illinois Gaming Board established under this Act  
8 should, as soon as possible, inform each applicant for an  
9 owners license of the Board's intent to grant or deny a  
10 license.

11 (d) The General Assembly finds that the Illinois gaming  
12 industry does not include a fair proportion of minority and  
13 female ownership participation in the gaming industry. It is  
14 vital to the gaming industry in this State to promote diverse  
15 interests in order to create social and economic parity. As a  
16 result of historical exclusion within the gaming industry,  
17 there is a need to increase the number of minority and female  
18 owners within the State. The State shall require that at least  
19 20% of an owners licensee's equity interest be awarded to  
20 minorities and at least 5% of an owners licensee's equity  
21 interest be awarded to women.

22 (Source: P.A. 93-28, eff. 6-20-03.)

23 (230 ILCS 10/3) (from Ch. 120, par. 2403)

24 Sec. 3. ~~Riverboat~~ Gambling Authorized.

25 (a) Riverboat gambling operations, casino gambling

1 operations, and electronic gaming operations ~~and the system of~~  
2 ~~wagering incorporated therein~~, as defined in this Act, are  
3 hereby authorized to the extent that they are carried out in  
4 accordance with the provisions of this Act.

5 (b) This Act does not apply to the pari-mutuel system of  
6 wagering or to advance deposit wagering used or intended to be  
7 used in connection with the horse-race meetings as authorized  
8 under the Illinois Horse Racing Act of 1975, lottery games  
9 authorized under the Illinois Lottery Law, bingo authorized  
10 under the Bingo License and Tax Act, charitable games  
11 authorized under the Charitable Games Act or pull tabs and jar  
12 games conducted under the Illinois Pull Tabs and Jar Games Act.

13 (c) Riverboat gambling conducted pursuant to this Act may  
14 be authorized upon any water within the State of Illinois or  
15 any water other than Lake Michigan which constitutes a boundary  
16 of the State of Illinois. A casino licensee shall not conduct  
17 gaming upon any water or lakefront within the City of Chicago.  
18 Notwithstanding any provision in this subsection (c) to the  
19 contrary, a licensee may conduct gambling at its home dock  
20 facility as provided in Sections 7 and 11. A licensee may  
21 conduct riverboat gambling authorized under this Act  
22 regardless of whether it conducts excursion cruises. A licensee  
23 may permit the continuous ingress and egress of passengers for  
24 the purpose of gambling.

25 (d) Gambling that is conducted in accordance with this Act  
26 using slot machines, video games of chance, and electronic

1 gambling games shall be authorized at electronic gaming  
2 facilities as provided in this Act.

3 (Source: P.A. 91-40, eff. 6-25-99.)

4 (230 ILCS 10/4) (from Ch. 120, par. 2404)

5 Sec. 4. Definitions. As used in this Act:

6 "Authority" means the Chicago Casino Development  
7 Authority.

8 "State Authority" means the Illinois Casino Development  
9 Authority.

10 ~~(a)~~ "Board" means the Illinois Gaming Board.

11 ~~(b)~~ "Occupational license" means a license issued by the  
12 Board to a person or entity to perform an occupation which the  
13 Board has identified as requiring a license to engage in  
14 ~~riverboat~~ gambling in Illinois.

15 ~~(c)~~ "Gambling game" includes, but is not limited to,  
16 baccarat, twenty-one, poker, craps, slot machine, video game of  
17 chance, roulette wheel, klondike table, punchboard, faro  
18 layout, keno layout, numbers ticket, push card, jar ticket, or  
19 pull tab which is authorized by the Board as a wagering device  
20 under this Act.

21 ~~(d)~~ "Riverboat" means a self-propelled excursion boat, a  
22 permanently moored barge, or permanently moored barges that are  
23 permanently fixed together to operate as one vessel, on which  
24 lawful gambling is authorized and licensed as provided in this  
25 Act.

1       ~~(e)~~ "Managers license" means a license issued by the Board  
2 to a person or entity to manage gambling operations conducted  
3 by the State pursuant to Section 7.3.

4       ~~(f)~~ "Dock" means the location where a riverboat moors for  
5 the purpose of embarking passengers for and disembarking  
6 passengers from the riverboat.

7       ~~(g)~~ "Gross receipts" means the total amount of cash or any  
8 instrument exchangeable for cash ~~money~~ exchanged for the  
9 purchase of chips, tokens or electronic cards by ~~riverboat~~  
10 patrons on a riverboat, in a casino, or at an electronic gaming  
11 facility. "Gross receipts" includes revenues derived by the  
12 gaming licensee from the conduct of electronic poker.

13       ~~(h)~~ "Adjusted gross receipts" means the gross receipts less  
14 winnings paid to wagerers.

15       ~~(i)~~ "Cheat" means to alter the selection of criteria which  
16 determine the result of a gambling game or electronic poker  
17 outcome or the amount or frequency of payment in a gambling  
18 game or electronic poker.

19       ~~(j)~~ ~~"Department" means the Department of Revenue.~~

20       ~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~  
21 gambling games and electronic poker authorized under this Act  
22 on ~~upon~~ a riverboat, in a casino, or at an electronic gaming  
23 facility as authorized under this Act.

24       ~~(l)~~ "License bid" means the lump sum amount of money that  
25 an applicant bids and agrees to pay the State in return for an  
26 owners license that is re-issued on or after July 1, 2003.

1       ~~(m)~~ The terms "minority person" and "female" shall have the  
2 same meaning as defined in Section 2 of the Business Enterprise  
3 for Minorities, Females, and Persons with Disabilities Act.

4       "Casino" means a land-based facility at which lawful  
5 gambling is authorized and licensed as provided in this Act.

6       "Owners license" means a license to conduct riverboat  
7 gambling operations, but does not include a casino license or  
8 an electronic gaming license.

9       "Electronic gaming license" means a license issued by the  
10 Board under Section 7.7 of this Act authorizing electronic  
11 gaming at an electronic gaming facility.

12       "Electronic gaming" means the conduct of gambling using  
13 slot machines, video games of chance, and electronic gambling  
14 games at a race track licensed under the Illinois Horse Racing  
15 Act of 1975 pursuant to the Illinois Horse Racing Act of 1975  
16 and this Act.

17       "Electronic gaming facility" means the area where the Board  
18 has authorized electronic gaming at a race track of an  
19 organization licensee under the Illinois Horse Racing Act of  
20 1975 that holds an electronic gaming license.

21       "Organization license" means a license issued by the  
22 Illinois Racing Board authorizing the conduct of pari-mutuel  
23 wagering in accordance with the Illinois Horse Racing Act of  
24 1975.

25       "Gaming license" includes an owners license, a casino  
26 license, an electronic gaming license, a managers license, and

1 a casino operator license.

2 "Licensed facility" means a riverboat, a casino, or an  
3 electronic gaming facility.

4 "Electronic poker" means a form of gambling operation by  
5 which players can play poker electronically via a network of  
6 machines at the same or any other licensed facility in this  
7 State. "Electronic poker" is not considered a gambling game as  
8 defined by this Act.

9 "Casino license" means the license held by the Authority to  
10 conduct or cause to be conducted gambling operations at a  
11 casino in the City of Chicago pursuant to this Act and the  
12 Chicago Casino Development Authority Act.

13 "Casino operator license" means the license held by the  
14 person or entity selected by the Authority to manage and  
15 operate a casino within the City of Chicago pursuant to a  
16 casino management contract, as provided for under the Chicago  
17 Casino Development Authority Act.

18 "License" includes all licenses authorized under this Act,  
19 including a gaming license, an occupational license, and  
20 suppliers license.

21 "State casino license" means the license held by the State  
22 Authority to conduct or cause to be conducted gambling  
23 operations at a casino pursuant to this Act and the Illinois  
24 Casino Development Authority Act.

25 "State casino operator license" means the license held by  
26 the person or entity selected by the State Authority to manage

1 and operate a casino within the State pursuant to a casino  
2 management contract, as provided for under the Illinois Casino  
3 Development Authority Act.

4 (Source: P.A. 95-331, eff. 8-21-07.)

5 (230 ILCS 10/5) (from Ch. 120, par. 2405)

6 Sec. 5. Gaming Board.

7 (a) (1) There is hereby established the ~~within the~~  
8 ~~Department of Revenue an~~ Illinois Gaming Board, l which shall  
9 have the powers and duties specified in this Act, and all other  
10 powers necessary and proper to fully and effectively execute  
11 this Act for the purpose of administering and, ~~regulating, and~~  
12 ~~enforcing~~ the system of ~~riverboat~~ gambling established by this  
13 Act. Its jurisdiction shall extend under this Act to every  
14 person, association, corporation, partnership and trust  
15 involved in ~~riverboat~~ gambling operations in the State of  
16 Illinois.

17 (2) The Board shall consist of 5 members to be appointed by  
18 the Governor with the advice and consent of the Senate, one of  
19 whom shall be designated by the Governor to be chairperson  
20 ~~chairman~~. Each member shall have a reasonable knowledge of the  
21 practice, procedure and principles of gambling operations.  
22 Each member shall either be a resident of Illinois or shall  
23 certify that he or she will become a resident of Illinois  
24 before taking office. The term of office of each member of the  
25 Board serving on the effective date of this amendatory Act of

1 the 95th General Assembly ends when all of their successors are  
2 appointed and qualified pursuant to this amendatory Act of the  
3 95th General Assembly. Members appointed pursuant to this  
4 amendatory Act of the 95th General Assembly and their  
5 successors shall serve on a full-time basis and may not hold  
6 any other employment for which they are compensated.

7 Beginning on the effective date of this amendatory Act of  
8 the 95th General Assembly, the Board shall consist of 5 members  
9 appointed by the Governor from nominations presented to the  
10 Governor by the Nomination Panel and with the advice and  
11 consent of the Senate. The Board must include the following:

12 (1) One member must have, at a minimum, a bachelor's  
13 degree from an accredited school and at least 10 years of  
14 verifiable training and experience in the fields of  
15 investigation and law enforcement.

16 (2) One member must be a certified public accountant  
17 with experience in auditing and with knowledge of complex  
18 corporate structures and transactions.

19 (3) Two members must have 5 years' experience as a  
20 principal, senior officer, or director of a company or  
21 business with either material responsibility for the daily  
22 operations and management of the overall company or  
23 business or material responsibility for the policy making  
24 of the company or business.

25 (4) One member must be a former judge elected or  
26 appointed to judicial office in Illinois or former federal

1       judge appointed to serve in Illinois.  
2       No more than 3 members of the Board may be from the same  
3       political party. No more than 3 members may reside within Cook,  
4       Will, Lake, DuPage, or Kane County. The Board should reflect  
5       the ethnic, cultural, and geographic diversity of the State.  
6       Each member shall have a reasonable knowledge of the practice,  
7       procedures, and principles of gambling operations. No Board  
8       member, within a period of 2 years immediately preceding  
9       nomination, shall have been employed or received compensation  
10       or fees for services from a person or entity, or its parent or  
11       affiliate, that has engaged in business with the Board, a  
12       licensee, or a licensee under the Horse Racing Act of 1975.  
13       Each member shall either be a resident of Illinois or shall  
14       certify that he or she will become a resident of Illinois  
15       before taking office. ~~At least one member shall be experienced~~  
16       ~~in law enforcement and criminal investigation, at least one~~  
17       ~~member shall be a certified public accountant experienced in~~  
18       ~~accounting and auditing, and at least one member shall be a~~  
19       ~~lawyer licensed to practice law in Illinois.~~

20       (3) The terms of office of the Board members shall be 4 ~~3~~  
21       years, except that the terms of office of the initial Board  
22       members appointed pursuant to this amendatory Act of the 95th  
23       General Assembly Act will commence from the effective date of  
24       this amendatory Act and run as follows, to be determined by  
25       lot: one for a term ending July 1 of the year following  
26       confirmation, ~~1991~~, one ~~2~~ for a term ending July 1 two years

1 following confirmation, 1992, one and 2 for a term ending July  
2 1 three years following confirmation, and 2 for a term ending  
3 July 1 four years following confirmation 1993. Upon the  
4 expiration of the foregoing terms, the successors of such  
5 members shall serve a term for 4 3 years and until their  
6 successors are appointed and qualified for like terms.  
7 Vacancies in the Board shall be filled for the unexpired term  
8 in like manner as original appointments. Each member of the  
9 Board shall be eligible for reappointment, subject to the  
10 nomination process of the Nomination Panel, by at the  
11 discretion of the Governor with the advice and consent of the  
12 Senate.

13 Until all 5 members of the Board are appointed and  
14 qualified pursuant to this amendatory Act of the 95th General  
15 Assembly, the Illinois Gaming Board may not act with regard to  
16 any license under which gambling operations are not being  
17 conducted on the effective date of this amendatory Act,  
18 excluding the dormant license as defined in subsection (a-3) of  
19 Section 13; however, the Board may authorize additional  
20 positions at riverboats in operation on the effective date of  
21 this amendatory Act and issue electronic gaming licenses  
22 pursuant to this amendatory Act.

23 (4) The chairman of the Board shall receive an annual  
24 salary equal to the annual salary of a State appellate court  
25 judge. Other members of the Board shall receive an annual  
26 salary equal to the annual salary of a State circuit court

1 ~~judge. Each member of the Board shall receive \$300 for each day~~  
2 ~~the Board meets and for each day the member conducts any~~  
3 ~~hearing pursuant to this Act.~~ Each member of the Board shall  
4 also be reimbursed for all actual and necessary expenses and  
5 disbursements incurred in the execution of official duties.

6 (5) ~~(Blank).~~ No person shall be appointed a member of the  
7 Board or continue to be a member of the Board who is, or whose  
8 spouse, child or parent is, a member of the board of directors  
9 of, or a person financially interested in, any gambling  
10 operation subject to the jurisdiction of this Board, or any  
11 race track, race meeting, racing association or the operations  
12 thereof subject to the jurisdiction of the Illinois Racing  
13 Board. No Board member shall hold any other public office for  
14 which he shall receive compensation other than necessary travel  
15 or other incidental expenses. No person shall be a member of  
16 the Board who is not of good moral character or who has been  
17 convicted of, or is under indictment for, a felony under the  
18 laws of Illinois or any other state, or the United States.

19 (6) Any member of the Board may be removed by the Governor  
20 for neglect of duty, misfeasance, malfeasance, or nonfeasance  
21 in office or for engaging in any political activity.

22 (7) Before entering upon the discharge of the duties of his  
23 office, each member of the Board shall take an oath that he  
24 will faithfully execute the duties of his office according to  
25 the laws of the State and the rules and regulations adopted  
26 therewith and shall give bond to the State of Illinois,

1 approved by the Governor, in the sum of \$25,000. Every such  
2 bond, when duly executed and approved, shall be recorded in the  
3 office of the Secretary of State. Whenever the Governor  
4 determines that the bond of any member of the Board has become  
5 or is likely to become invalid or insufficient, he shall  
6 require such member forthwith to renew his bond, which is to be  
7 approved by the Governor. Any member of the Board who fails to  
8 take oath and give bond within 30 days from the date of his  
9 appointment, or who fails to renew his bond within 30 days  
10 after it is demanded by the Governor, shall be guilty of  
11 neglect of duty and may be removed by the Governor. The cost of  
12 any bond given by any member of the Board under this Section  
13 shall be taken to be a part of the necessary expenses of the  
14 Board.

15 (8) The ~~Upon the request of the Board, the Department~~ shall  
16 employ such personnel as may be necessary to carry out its ~~the~~  
17 functions and shall determine the salaries of all personnel,  
18 except those personnel whose salaries are determined under the  
19 terms of a collective bargaining agreement ~~of the Board~~. No  
20 person shall be employed to serve the Board who is, or whose  
21 spouse, parent or child is, an official of, or has a financial  
22 interest in or financial relation with, any operator engaged in  
23 gambling operations within this State or any organization  
24 engaged in conducting horse racing within this State. For the 2  
25 years immediately preceding employment, an employee shall not  
26 have been employed or received compensation or fees for

1 services from a person or entity, or its parent or affiliate,  
2 that has engaged in business with the Board, a licensee, or a  
3 licensee under the Horse Racing Act of 1975. Any employee  
4 violating these prohibitions shall be subject to termination of  
5 employment.

6 (9) An Administrator shall perform any and all duties that  
7 the Board shall assign him. The salary of the Administrator  
8 shall be determined by the Board ~~and approved by the Director~~  
9 ~~of the Department~~ and, in addition, he shall be reimbursed for  
10 all actual and necessary expenses incurred by him in discharge  
11 of his official duties. The Administrator shall keep records of  
12 all proceedings of the Board and shall preserve all records,  
13 books, documents and other papers belonging to the Board or  
14 entrusted to its care. The Administrator shall devote his full  
15 time to the duties of the office and shall not hold any other  
16 office or employment.

17 (b) The Board shall have general responsibility for the  
18 implementation of this Act. Its duties include, without  
19 limitation, the following:

20 (1) To decide promptly and in reasonable order all  
21 license applications. Any party aggrieved by an action of  
22 the Board denying, suspending, revoking, restricting or  
23 refusing to renew a license may request a hearing before  
24 the Board. A request for a hearing must be made to the  
25 Board in writing within 5 days after service of notice of  
26 the action of the Board. Notice of the action of the Board

1 shall be served either by personal delivery or by certified  
2 mail, postage prepaid, to the aggrieved party. Notice  
3 served by certified mail shall be deemed complete on the  
4 business day following the date of such mailing. The Board  
5 shall conduct all requested hearings promptly and in  
6 reasonable order;

7 (2) To conduct all hearings pertaining to civil  
8 violations of this Act or rules and regulations promulgated  
9 hereunder;

10 (3) To promulgate such rules and regulations as in its  
11 judgment may be necessary to protect or enhance the  
12 credibility and integrity of gambling operations  
13 authorized by this Act and the regulatory process  
14 hereunder;

15 (4) To provide for the establishment and collection of  
16 all license and registration fees and taxes imposed by this  
17 Act and the rules and regulations issued pursuant hereto.  
18 All such fees and taxes shall be deposited into the State  
19 Gaming Fund, unless otherwise provided for;

20 (5) To provide for the levy and collection of penalties  
21 and fines for the violation of provisions of this Act and  
22 the rules and regulations promulgated hereunder. All such  
23 fines and penalties shall be deposited into the Education  
24 Assistance Fund, created by Public Act 86-0018, of the  
25 State of Illinois;

26 (6) (Blank) ~~To be present through its inspectors and~~

1 ~~agents any time gambling operations are conducted on any~~  
2 ~~riverboat for the purpose of certifying the revenue~~  
3 ~~thereof, receiving complaints from the public, and~~  
4 ~~conducting such other investigations into the conduct of~~  
5 ~~the gambling games and the maintenance of the equipment as~~  
6 ~~from time to time the Board may deem necessary and proper;~~

7 (7) To review and rule upon any complaint by a licensee  
8 regarding any investigative procedures of the State which  
9 are unnecessarily disruptive of gambling operations. The  
10 need to inspect and investigate shall be presumed at all  
11 times. The disruption of a licensee's operations shall be  
12 proved by clear and convincing evidence, and establish  
13 that: (A) the procedures had no reasonable law enforcement  
14 purposes, and (B) the procedures were so disruptive as to  
15 unreasonably inhibit gambling operations;

16 (8) (Blank) ~~To hold at least one meeting each quarter~~  
17 ~~of the fiscal year. In addition, special meetings may be~~  
18 ~~called by the Chairman or any 2 Board members upon 72 hours~~  
19 ~~written notice to each member. All Board meetings shall be~~  
20 ~~subject to the Open Meetings Act. Three members of the~~  
21 ~~Board shall constitute a quorum, and 3 votes shall be~~  
22 ~~required for any final determination by the Board. The~~  
23 ~~Board shall keep a complete and accurate record of all its~~  
24 ~~meetings. A majority of the members of the Board shall~~  
25 ~~constitute a quorum for the transaction of any business,~~  
26 ~~for the performance of any duty, or for the exercise of any~~

1 ~~power which this Act requires the Board members to~~  
2 ~~transact, perform or exercise en banc, except that, upon~~  
3 ~~order of the Board, one of the Board members or an~~  
4 ~~administrative law judge designated by the Board may~~  
5 ~~conduct any hearing provided for under this Act or by Board~~  
6 ~~rule and may recommend findings and decisions to the Board.~~  
7 ~~The Board member or administrative law judge conducting~~  
8 ~~such hearing shall have all powers and rights granted to~~  
9 ~~the Board in this Act. The record made at the time of the~~  
10 ~~hearing shall be reviewed by the Board, or a majority~~  
11 ~~thereof, and the findings and decision of the majority of~~  
12 ~~the Board shall constitute the order of the Board in such~~  
13 ~~case;~~

14 (9) To maintain records which are separate and distinct  
15 from the records of any other State board or commission.  
16 Such records shall be available for public inspection and  
17 shall accurately reflect all Board proceedings;

18 (10) (Blank) ~~To file a written annual report with the~~  
19 ~~Governor on or before March 1 each year and such additional~~  
20 ~~reports as the Governor may request. The annual report~~  
21 ~~shall include a statement of receipts and disbursements by~~  
22 ~~the Board, actions taken by the Board, and any additional~~  
23 ~~information and recommendations which the Board may deem~~  
24 ~~valuable or which the Governor may request;~~

25 (11) (Blank); and

26 (12) (Blank); and ~~To assume responsibility for the~~

1 ~~administration and enforcement of the Bingo License and Tax~~  
2 ~~Act, the Charitable Games Act, and the Pull Tabs and Jar~~  
3 ~~Games Act if such responsibility is delegated to it by the~~  
4 ~~Director of Revenue.~~

5 (13) To assume responsibility for the administration  
6 and enforcement of operations at electronic gaming  
7 facilities pursuant to this Act.

8 (c) The Board shall have jurisdiction over and shall  
9 supervise all gambling operations governed by this Act. The  
10 Board shall have all powers necessary and proper to fully and  
11 effectively execute the provisions of this Act, including, but  
12 not limited to, the following:

13 (1) To ~~investigate applicants and~~ determine the  
14 eligibility of applicants for licenses and to select among  
15 competing applicants the applicants which best serve the  
16 interests of the citizens of Illinois.

17 (2) To have jurisdiction and supervision over all  
18 ~~riverboat~~ gambling operations authorized under this Act in  
19 ~~this State~~ and all persons in places ~~on riverboats~~ where  
20 gambling operations are conducted.

21 (3) To promulgate rules and regulations for the purpose  
22 of administering the provisions of this Act and to  
23 prescribe rules, regulations and conditions under which  
24 all ~~riverboat~~ gambling operations subject to this Act in  
25 ~~the State~~ shall be conducted. Such rules and regulations  
26 are to provide for the prevention of practices detrimental

1 to the public interest and for the best interests of  
2 ~~riverboat~~ gambling, including rules and regulations  
3 regarding the inspection of licensed facilities ~~such~~  
4 ~~riverboats~~ and the review of any permits or licenses  
5 necessary to operate a licensed facility ~~riverboat~~ under  
6 any laws or regulations applicable to licensed facilities  
7 ~~riverboats~~, and to impose penalties for violations  
8 thereof.

9 (4) (Blank). ~~To enter the office, riverboats,~~  
10 ~~facilities, or other places of business of a licensee,~~  
11 ~~where evidence of the compliance or noncompliance with the~~  
12 ~~provisions of this Act is likely to be found.~~

13 (5) ~~To investigate alleged violations of this Act or~~  
14 ~~the rules of the Board and to take appropriate disciplinary~~  
15 ~~action against a licensee or a holder of an occupational~~  
16 ~~license~~ for a violation, or institute appropriate legal  
17 action for enforcement, or both.

18 (6) To adopt standards for the licensing of all persons  
19 under this Act, as well as for electronic or mechanical  
20 gambling games, and to establish fees for such licenses.

21 (7) To adopt appropriate standards for all licensed  
22 facilities authorized under this Act ~~riverboats and~~  
23 ~~facilities~~.

24 (8) To require that the records, including financial or  
25 other statements of any licensee under this Act, shall be  
26 kept in such manner as prescribed by the Board and that any

1 such licensee involved in the ownership or management of  
2 gambling operations submit to the Board an annual balance  
3 sheet and profit and loss statement, list of the  
4 stockholders or other persons having a 1% or greater  
5 beneficial interest in the gambling activities of each  
6 licensee, and any other information the Board deems  
7 necessary in order to effectively administer this Act and  
8 all rules, regulations, orders and final decisions  
9 promulgated under this Act.

10 (9) To conduct hearings, issue subpoenas for the  
11 attendance of witnesses and subpoenas duces tecum for the  
12 production of books, records and other pertinent documents  
13 in accordance with the Illinois Administrative Procedure  
14 Act, and to administer oaths and affirmations to the  
15 witnesses, when, in the judgment of the Board, it is  
16 necessary to administer or enforce this Act or the Board  
17 rules.

18 (10) To prescribe a form to be used by any licensee  
19 involved in the ownership or management of gambling  
20 operations as an application for employment for their  
21 employees.

22 (11) To revoke or suspend licenses, as the Board may  
23 see fit and in compliance with applicable laws of the State  
24 regarding administrative procedures, and to review  
25 applications for the renewal of licenses.

26 (11.5) ~~To The Board may suspend a an owners~~ license,

1 without notice or hearing, upon a determination that the  
2 safety or health of patrons or employees is jeopardized by  
3 continuing a gambling operation conducted under that  
4 license ~~a riverboat's operation~~. The suspension may remain  
5 in effect until the Board determines that the cause for  
6 suspension has been abated. After such a suspension, the  
7 ~~The~~ Board may revoke a ~~the owners~~ license upon a  
8 determination that the licensee ~~owner~~ has not made  
9 satisfactory progress toward abating the hazard.

10 (12) (Blank). ~~To eject or exclude or authorize the~~  
11 ~~ejection or exclusion of, any person from riverboat~~  
12 ~~gambling facilities where such person is in violation of~~  
13 ~~this Act, rules and regulations thereunder, or final orders~~  
14 ~~of the Board, or where such person's conduct or reputation~~  
15 ~~is such that his presence within the riverboat gambling~~  
16 ~~facilities may, in the opinion of the Board, call into~~  
17 ~~question the honesty and integrity of the gambling~~  
18 ~~operations or interfere with orderly conduct thereof;~~  
19 ~~provided that the propriety of such ejection or exclusion~~  
20 ~~is subject to subsequent hearing by the Board.~~

21 (13) To require all gaming licensees ~~of gambling~~  
22 ~~operations~~ to utilize a cashless wagering system whereby  
23 all players' money is converted to tokens, electronic  
24 cards, or chips which shall be used only for wagering in  
25 the gambling establishment.

26 (14) (Blank).

1           (15) To suspend, revoke or restrict licenses, to  
2           require the removal of a licensee or an employee of a  
3           licensee for a violation of this Act or a Board rule or for  
4           engaging in a fraudulent practice, and to impose civil  
5           penalties of up to \$5,000 against individuals and up to  
6           \$10,000 or an amount equal to the daily gross receipts,  
7           whichever is larger, against licensees for each violation  
8           of any provision of the Act, any rules adopted by the  
9           Board, any order of the Board or any other action which, in  
10          the Board's discretion, is a detriment or impediment to  
11          ~~riverboat~~ gambling operations.

12          (16) To hire employees to ~~gather information, conduct~~  
13          ~~investigations and~~ carry out any other tasks contemplated  
14          under this Act.

15          (17) To establish minimum levels of insurance to be  
16          maintained by licensees.

17          (18) To authorize a gaming licensee to sell or serve  
18          alcoholic liquors, wine or beer as defined in the Liquor  
19          Control Act of 1934 in a licensed facility ~~on board a~~  
20          ~~riverboat~~ and to have exclusive authority to establish the  
21          hours for sale and consumption of alcoholic liquor in a  
22          licensed facility ~~on board a riverboat~~, notwithstanding  
23          any provision of the Liquor Control Act of 1934 or any  
24          local ordinance, and regardless of whether the riverboat  
25          makes excursions. The establishment of the hours for sale  
26          and consumption of alcoholic liquor in a licensed facility

1 ~~on board a riverboat~~ is an exclusive power and function of  
2 the State. A home rule unit may not establish the hours for  
3 sale and consumption of alcoholic liquor in a licensed  
4 facility ~~on board a riverboat~~. This subdivision (18)  
5 ~~amendatory Act of 1991~~ is a denial and limitation of home  
6 rule powers and functions under subsection (h) of Section 6  
7 of Article VII of the Illinois Constitution.

8 (19) After consultation with the U.S. Army Corps of  
9 Engineers, to establish binding emergency orders upon the  
10 concurrence of a majority of the members of the Board  
11 regarding the navigability of water, relative to  
12 excursions, in the event of extreme weather conditions,  
13 acts of God or other extreme circumstances.

14 (20) To delegate the execution of any of its powers  
15 under this Act for the purpose of administering and  
16 enforcing this Act and its rules and regulations hereunder.

17 (21) To make rules concerning the conduct of electronic  
18 gaming.

19 (22) To make rules concerning the conduct of electronic  
20 poker.

21 (23) To review all contracts entered into by gaming  
22 licensees authorized under this Act. The Board must review  
23 and approve all contracts entered into by a gaming licensee  
24 for an aggregate amount of \$10,000 or more or for a term to  
25 exceed 365 days. If an electronic gaming licensee enters  
26 into a contract that is exclusively related to the

1        operation of the licensee's race track, however, then no  
2        Board approval is necessary. If there is any doubt as to  
3        whether a contract entered into is exclusively related to  
4        the operation of the licensee's race track, then the  
5        contract shall be determined to be subject to the  
6        jurisdiction of the Board. If a contract has been entered  
7        into prior to Board authorization of a requested action,  
8        including without limitation a contract for a construction  
9        project for expansion of a facility, or for construction of  
10       a relocated facility, then the contract is not valid until  
11       the Board approves both the requested action and the  
12       contract itself.

13        (24) (21) To take any other action as may be reasonable  
14        or appropriate to enforce this Act and rules and  
15        regulations hereunder.

16        (d) (Blank). ~~The Board may seek and shall receive the~~  
17        ~~cooperation of the Department of State Police in conducting~~  
18        ~~background investigations of applicants and in fulfilling its~~  
19        ~~responsibilities under this Section. Costs incurred by the~~  
20        ~~Department of State Police as a result of such cooperation~~  
21        ~~shall be paid by the Board in conformance with the requirements~~  
22        ~~of Section 2605-400 of the Department of State Police Law (20~~  
23        ~~ILCS 2605/2605-400).~~

24        (e) (Blank). ~~The Board must authorize to each investigator~~  
25        ~~and to any other employee of the Board exercising the powers of~~  
26        ~~a peace officer a distinct badge that, on its face, (i) clearly~~

1 ~~states that the badge is authorized by the Board and (ii)~~  
2 ~~contains a unique identifying number. No other badge shall be~~  
3 ~~authorized by the Board.~~

4 (f) Except as provided in subsection (h) of Section 5.4,  
5 all Board meetings are subject to the Open Meetings Act. Three  
6 members of the Board constitute a quorum, and 3 votes are  
7 required for any final determination by the Board. The Board  
8 shall keep a complete and accurate record of all its meetings.  
9 A majority of the members of the Board constitute a quorum for  
10 the transaction of any business, for the performance of any  
11 duty, or for the exercise of any power that this Act requires  
12 the Board members to transact, perform, or exercise en banc,  
13 except that, upon order of the Board, one of the Board members  
14 or an administrative law judge designated by the Board may  
15 conduct any hearing provided for under this Act or by Board  
16 rule and may recommend findings and decisions to the Board. The  
17 Board member or administrative law judge conducting such  
18 hearing has all powers and rights granted to the Board in this  
19 Act. The record made at the time of the hearing shall be  
20 reviewed by the Board, or a majority thereof, and the findings  
21 and decision of the majority of the Board constitutes the order  
22 of the Board in such case.

23 (g) The Board shall carry on a continuous study of the  
24 operation and administration of gaming laws that may be in  
25 effect in other jurisdictions, literature on this subject that  
26 may from time to time become available, federal laws that may

1 affect the operation of gaming in this State, and the reaction  
2 of Illinois citizens to existing and potential features of  
3 gaming under this Act. The Board is responsible for  
4 ascertaining any defects in this Act or in the rules adopted  
5 thereunder, formulating recommendations for changes in this  
6 Act to prevent abuses thereof, guarding against the use of this  
7 Act as a cloak for the carrying on of illegal gambling or other  
8 criminal activities, and insuring that this Act and the rules  
9 are in such form and so administered as to serve the true  
10 purposes of this Act.

11 (h) Prior to the issuance of the additional license  
12 authorized by Section 7(e), the Board shall conduct a study of  
13 the feasibility of granting the license to a publicly owned  
14 authority as opposed to a privately owned authority. In  
15 conducting this study, the Board shall consider:

16 (1) the highest prospective total revenue to be derived  
17 by the State from the conduct of gambling as operated by a  
18 publicly owned authority as opposed to a privately owned  
19 authority;

20 (2) whether granting the license to a publicly owned  
21 authority will maintain public confidence and trust in the  
22 credibility and integrity of the gambling operations;

23 (3) the operation and administration of publicly owned  
24 gaming operations in other jurisdictions;

25 (4) the reaction of Illinois citizens to a publicly  
26 owned authority;

1           (5) whether a publicly owned authority has a greater  
2           financial ability to insure against liability and  
3           casualty;

4           (6) whether a publicly owned authority can more  
5           adequately assure capitalization to provide and maintain,  
6           for the duration of a license, a gaming operation; and

7           (7) the extent to which a publicly owned authority  
8           exceeds or meets the standards for the issuance of an  
9           owner's license which the Board may adopt by rule.

10          (i) The Board shall file with the Governor and the General  
11          Assembly an annual report of (i) all revenues, expenses, and  
12          disbursements, (ii) actions taken by the Board, (iii) activity  
13          at Responsible Play Information Centers at licensed  
14          facilities, and (iv) any recommendations for changes in this  
15          Act as the Board deems necessary or desirable. The Board shall  
16          also report recommendations that promote more efficient  
17          operations of the Board.

18          (j) The Board shall report immediately to the Governor and  
19          the General Assembly any matters that in its judgment require  
20          immediate changes in the laws of this State in order to prevent  
21          abuses and evasions of this Act or of its rules or to rectify  
22          undesirable conditions in connection with the operation and  
23          regulation of gambling operations.

24          (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883,  
25          eff. 1-1-01.)

1 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

2 Sec. 5.1. Disclosure of records.

3 (a) Notwithstanding any applicable statutory provision to  
4 the contrary, the Board shall, on written request from any  
5 person, provide information furnished by an applicant for a  
6 gaming license or a gaming licensee concerning the applicant or  
7 licensee, his products, services or gambling enterprises and  
8 his business holdings, as follows:

9 (1) The name, business address and business telephone  
10 number of any applicant or licensee.

11 (2) An identification of any applicant or licensee  
12 including, if an applicant or licensee is not an  
13 individual, the state of incorporation or registration,  
14 the corporate officers, and the identity of all  
15 shareholders or participants. If an applicant or licensee  
16 has a pending registration statement filed with the  
17 Securities and Exchange Commission, only the names of those  
18 persons or entities holding interest of 1% ~~5%~~ or more must  
19 be provided.

20 (3) An identification of any business, including, if  
21 applicable, the state of incorporation or registration, in  
22 which an applicant or licensee or an applicant's or  
23 licensee's spouse or children has an equity interest of  
24 more than 1% ~~5%~~. If an applicant or licensee is a  
25 corporation, partnership or other business entity, the  
26 applicant or licensee shall identify any other

1 corporation, partnership or business entity in which it has  
2 an equity interest of 1% ~~5%~~ or more, including, if  
3 applicable, the state of incorporation or registration.  
4 This information need not be provided by a corporation,  
5 partnership or other business entity that has a pending  
6 registration statement filed with the Securities and  
7 Exchange Commission.

8 (4) Whether an applicant or licensee has been indicted,  
9 convicted, pleaded guilty or nolo contendere, or forfeited  
10 bail concerning any criminal offense under the laws of any  
11 jurisdiction, either felony or misdemeanor (except for  
12 traffic violations), including the date, the name and  
13 location of the court, arresting agency and prosecuting  
14 agency, the case number, the offense, the disposition and  
15 the location and length of incarceration.

16 (5) Whether an applicant or licensee has had any  
17 license or certificate issued by a licensing authority in  
18 Illinois or any other jurisdiction denied, restricted,  
19 suspended, revoked or not renewed and a statement  
20 describing the facts and circumstances concerning the  
21 denial, restriction, suspension, revocation or  
22 non-renewal, including the licensing authority, the date  
23 each such action was taken, and the reason for each such  
24 action.

25 (6) Whether an applicant or licensee has ever filed or  
26 had filed against it a proceeding in bankruptcy or has ever

1           been involved in any formal process to adjust, defer,  
2           suspend or otherwise work out the payment of any debt  
3           including the date of filing, the name and location of the  
4           court, the case and number of the disposition.

5           (7) Whether an applicant or licensee has filed, or been  
6           served with a complaint or other notice filed with any  
7           public body, regarding the delinquency in the payment of,  
8           or a dispute over the filings concerning the payment of,  
9           any tax required under federal, State or local law,  
10          including the amount, type of tax, the taxing agency and  
11          time periods involved.

12          (8) A statement listing the names and titles of all  
13          public officials or officers of any unit of government, and  
14          relatives of said public officials or officers who,  
15          directly or indirectly, own any financial interest in, have  
16          any beneficial interest in, are the creditors of or hold  
17          any debt instrument issued by, or hold or have any interest  
18          in any contractual or service relationship with, an  
19          applicant or licensee.

20          (9) Whether an applicant or licensee has made, directly  
21          or indirectly, any political contribution, or any loans,  
22          donations or other payments, to any candidate or office  
23          holder, within 5 years from the date of filing the  
24          application, including the amount and the method of  
25          payment.

26          (10) The name and business telephone number of the

1 counsel representing an applicant or licensee in matters  
2 before the Board.

3 (11) A description of any proposed or approved gambling  
4 ~~riverboat gaming~~ operation, including the type of boat (if  
5 applicable), ~~home dock~~ location, expected economic benefit  
6 to the community, anticipated or actual number of  
7 employees, any statement from an applicant or licensee  
8 regarding compliance with federal and State affirmative  
9 action guidelines, projected or actual admissions and  
10 projected or actual adjusted gross gaming receipts.

11 (12) A description of the product or service to be  
12 supplied by an applicant for a supplier's license.

13 (b) Notwithstanding any applicable statutory provision to  
14 the contrary, the Board shall, on written request from any  
15 person, also provide the following information furnished by an  
16 applicant for a gaming license or gaming licensee:

17 (1) The amount of the wagering tax and admission tax  
18 paid daily to the State of Illinois by the holder of an  
19 owner's license.

20 (2) Whenever the Board finds an applicant for an  
21 owner's license unsuitable for licensing, a copy of the  
22 written letter outlining the reasons for the denial.

23 (3) Whenever the Board has refused to grant leave for  
24 an applicant to withdraw his application, a copy of the  
25 letter outlining the reasons for the refusal.

26 (c) Subject to the above provisions, the Board shall not

1 disclose any information which would be barred by:

2 (1) Section 7 of the Freedom of Information Act; or

3 (2) The statutes, rules, regulations or  
4 intergovernmental agreements of any jurisdiction.

5 (d) The Board may assess fees for the copying of  
6 information in accordance with Section 6 of the Freedom of  
7 Information Act.

8 (Source: P.A. 87-826.)

9 (230 ILCS 10/5.2 new)

10 Sec. 5.2. Separation from Department of Revenue. On the  
11 effective date of this amendatory Act of the 95th General  
12 Assembly, all of the powers, duties, assets, liabilities,  
13 employees, contracts, property, records, pending business, and  
14 unexpended appropriations of the Department of Revenue related  
15 to the administration and enforcement of this Act are  
16 transferred to the Illinois Gaming Board and the Office of  
17 Gaming Enforcement.

18 The status and rights of the transferred employees, and the  
19 rights of the State of Illinois and its agencies, under the  
20 Personnel Code and applicable collective bargaining agreements  
21 or under any pension, retirement, or annuity plan are not  
22 affected (except as provided in the Illinois Pension Code) by  
23 that transfer or by any other provision of this amendatory Act  
24 of the 95th General Assembly.

1 (230 ILCS 10/5.3 new)

2 Sec. 5.3. Nomination Panel.

3 (a) The Nomination Panel is established to provide a list  
4 of nominees to the Governor for appointment to the Illinois  
5 Gaming Board, the Illinois Racing Board, the Illinois Casino  
6 Development Board, and the position of Director of Gaming  
7 Enforcement. Members of the Nomination Panel shall be the  
8 following: (1) the Executive Ethics Commissioner appointed by  
9 the Secretary of State; (2) the Executive Ethics Commissioner  
10 appointed by the Treasurer; (3) the Executive Ethics  
11 Commissioner appointed by the Comptroller; (4) the Executive  
12 Ethics Commissioner appointed by the Attorney General; and (5)  
13 one Executive Ethics Commissioner appointed by the Governor.  
14 However, the appointing authorities as of the effective date of  
15 this amendatory Act of the 95th General Assembly shall remain  
16 empowered to fill vacancies on the Nomination Panel until all  
17 members of the new Gaming Board, Racing Board, and Illinois  
18 Casino Development Board and the Director of Gaming Enforcement  
19 have been appointed and qualified, regardless of whether such  
20 appointing authorities remain members of the Executive Ethics  
21 Commission. In the event of such appointing authority's  
22 disqualification, resignation, or refusal to serve as an  
23 appointing authority, the Constitutional officer that  
24 appointed the Executive Ethics Commissioner may name a designee  
25 to serve as an appointing authority for the Nomination Panel.  
26 The appointing authorities may hold so many public or

1 non-public meetings as is required to fulfill their duties, and  
2 may utilize the staff and budget of the Executive Ethics  
3 Commission in carrying out their duties; provided, however,  
4 that a final vote on appointees to the Nomination Panel shall  
5 take place in a meeting governed by the Open Meetings Act. Any  
6 ex parte communications regarding the Nomination Panel must be  
7 made a part of the record at the next public meeting and part  
8 of a written record. The appointing authorities shall file a  
9 list of members of the Nomination Panel with the Secretary of  
10 State within 60 days after the effective date of this  
11 amendatory Act of the 95th General Assembly. A vacancy on the  
12 Nomination Panel due to disqualification or resignation must be  
13 filled within 60 days of a vacancy and the appointing  
14 authorities must file the name of the new appointee with the  
15 Secretary of State.

16 (b) Candidates for nomination to the Illinois Gaming Board,  
17 the Illinois Racing Board, or the position of Director of  
18 Gaming Enforcement may apply or be nominated. All candidates  
19 must fill out a written application and submit to a background  
20 investigation to be eligible for consideration. The written  
21 application must include, at a minimum, a sworn statement  
22 disclosing any communications that the applicant has engaged in  
23 with a constitutional officer, a member of the General  
24 Assembly, a special government agent (as that term is defined  
25 in Section 4A-101 of the Illinois Governmental Ethics Act), a  
26 director, secretary, or other employee of the executive branch

1 of the State, or an employee of the legislative branch of the  
2 State related to the regulation of gaming within the last year.

3 A person who provides false or misleading information on  
4 the application or fails to disclose a communication required  
5 to be disclosed in the sworn statement under this Section is  
6 guilty of a Class 4 felony.

7 (c) Once an application is submitted to the Nomination  
8 Panel and until (1) the candidate is rejected by the Nomination  
9 Panel, (2) the candidate is rejected by the Governor, (3) the  
10 candidate is rejected by the Senate, or (4) the candidate is  
11 confirmed by the Senate, whichever is applicable, a candidate  
12 may not engage in ex parte communications, as that term is  
13 defined in Section 5.7 of this Act.

14 (d) For the purpose of making the initial nominations after  
15 the effective date of the amendatory Act of the 95th General  
16 Assembly, the Nomination Panel shall request the assistance of  
17 the Illinois State Police to conduct the background  
18 investigation. The Nomination Panel shall have 60 days after  
19 approval with the Illinois State Police to conduct background  
20 investigations of candidates under consideration of the  
21 Nomination Panel.

22 (e) The Nomination Panel must review written applications,  
23 determine eligibility for oral interviews, confirm  
24 satisfactory background investigations, and hold public  
25 hearings on qualifications of candidates. Initial interviews  
26 of candidates need not be held in meetings subject to the Open

1 Meetings Act; members or staff may arrange for informal  
2 interviews. Prior to recommendation, however, the Nomination  
3 Panel must question candidates in a meeting subject to the Open  
4 Meetings Act under oath.

5 (f) The Nomination Panel must review written applications,  
6 determine eligibility for oral interviews, confirm  
7 satisfactory criminal history records checks, and hold public  
8 hearings on qualifications of candidates.

9 (g) The Nomination Panel must recommend candidates for  
10 nomination to the Illinois Gaming Board, the Illinois Racing  
11 Board, and the Director of Gaming Enforcement. The Governor may  
12 choose only from the Nomination Panel's recommendations;  
13 however, within 30 days, he or she must accept or reject the  
14 original recommendations and request additional  
15 recommendations from the Nomination Panel, if necessary. The  
16 Nomination Panel shall recommend to the Governor 3 candidates  
17 for every open position for the Illinois Racing Board, the  
18 Illinois Gaming Board, and the Director of Gaming Enforcement.  
19 The Nomination Panel shall recommend candidates to the Governor  
20 within 10 days upon request by the Governor for additional  
21 candidates. The Nomination Panel shall file the names of  
22 nominees with the Senate and the Secretary of State. The  
23 Secretary of State shall indicate the date and time of filing.  
24 Any nominations not forwarded by the Governor to the Senate  
25 within 30 days are disapproved.

26 (h) Selections by the Governor must receive the consent of

1 the Senate by two-thirds of members by record vote.

2 (230 ILCS 10/5.4 new)

3 Sec. 5.4. Office of Gaming Enforcement.

4 (a) There is established the Office of Gaming Enforcement,  
5 which shall have the powers and duties specified in this Act or  
6 the Illinois Horse Racing Act of 1975. Its jurisdiction shall  
7 extend under this Act and the Illinois Horse Racing Act of 1975  
8 to every licensee, person, association, corporation,  
9 partnership and trust involved in gambling operations in the  
10 State of Illinois.

11 (b) The Office shall have an officer as its head who shall  
12 be known as the Director and who shall execute the powers and  
13 discharge the duties given to the Office by this Act and the  
14 Illinois Horse Racing Act of 1975. The Director must have at  
15 least 10 years experience in law enforcement and investigatory  
16 methods at the federal or state level, but not necessarily in  
17 Illinois, with a preference given for experience in regulation  
18 or investigation in the gaming industry. Nominations for the  
19 position of Director must be made by the Nomination Panel as  
20 provided in Section 5.3. The Director of the Office may be  
21 removed by the Governor for neglect of duty, misfeasance,  
22 malfeasance, or nonfeasance in office. The Director shall  
23 receive an annual salary equal to the annual salary of a State  
24 appellate court judge and shall hold no other employment for  
25 which he or she receives compensation. The Director may not

1 hold a local, state, or federal elective or appointive office  
2 or be employed by a local, state, or federal governmental  
3 entity while in office.

4 (c) The Director shall employ such personnel as may be  
5 necessary to carry out the functions of the Office and shall  
6 determine the salaries of all personnel, except those personnel  
7 whose salaries are determined under the terms of a collective  
8 bargaining agreement. An employee or the employee's spouse,  
9 parent, or child, may not, for 2 years before employment,  
10 during employment, and for 5 years after employment by the  
11 Office have a financial interest in or financial relationship  
12 with, any operator engaged in gambling operations within this  
13 State or any organization engaged in conducting horse racing  
14 within this State. Any employee violating these prohibitions is  
15 subject to termination of employment.

16 (d) The Office shall have general responsibility for the  
17 investigation and enforcement under this Act and the Illinois  
18 Horse Racing Act of 1975. Its duties include without limitation  
19 the following:

20 (1) To be present through its inspectors and agents any  
21 time gambling operations are conducted for the purpose of  
22 certifying the revenue thereof, receiving complaints from  
23 the public, and conducting such other investigations into  
24 the conduct of the gambling games and the maintenance of  
25 the equipment as from time to time the Board may deem  
26 necessary and proper.

1           (2) To supervise all gambling operations authorized  
2           under this Act and the Illinois Horse Racing Act of 1975  
3           and all persons in places where gambling operations are  
4           conducted.

5           (3) To promulgate rules regarding the inspection of  
6           riverboats, casinos, and electronic gaming facilities.

7           (4) To enter the licensed facility or other places of  
8           business of a licensee under this Act or the Illinois Horse  
9           Racing Act of 1975 where evidence of the compliance or  
10           noncompliance with the provisions of those Acts are likely  
11           to be found.

12           (5) To exchange fingerprint data with, and receive  
13           criminal history record information from, the Federal  
14           Bureau of Investigation, to the extent possible, and the  
15           Department of State Police for use in considering  
16           applicants for any license.

17           (6) To eject or exclude or authorize the ejection or  
18           exclusion of any person from licensed facilities where the  
19           person is in violation of this Act or the Illinois Horse  
20           Racing Act of 1975, rules thereunder, or final orders of  
21           the appropriate Board, or where such person's conduct or  
22           reputation is such that his or her presence within the  
23           licensed facilities may call into question the honesty and  
24           integrity of the gambling operations or interfere with the  
25           orderly conduct thereof; provided that the propriety of  
26           such ejection or exclusion is subject to subsequent

1 hearing.

2 (7) To hire employees to gather information, conduct  
3 investigations, and carry out any other tasks contemplated  
4 under this Act or the Illinois Horse Racing Act of 1975.

5 (8) To conduct investigations on its own initiative or  
6 as requested by the Illinois Gaming Board, Illinois Racing  
7 Board, or the Nomination Panel, including without  
8 limitation investigations for suspected violations of this  
9 Act and the Illinois Horse Racing Act of 1975 and  
10 investigations for issuance or renewal of a license.

11 (e) The Office must issue to each investigator and to any  
12 other employee of the Office exercising the powers of a peace  
13 officer a distinct badge that, on its face, (i) clearly states  
14 that the badge is authorized by the Office and (ii) contains a  
15 unique identifying number. No other badge shall be authorized  
16 by the Office.

17 (f) The Office is a law enforcement agency, and its  
18 employees and agents shall have such law enforcement powers as  
19 may be delegated to them by the Attorney General to effectuate  
20 the purposes of this Act.

21 (g) Whenever the Office has reason to believe that any  
22 person may be in possession, custody, or control of any  
23 documentary material or information relevant to an  
24 investigation, the Office may, before commencing a civil  
25 proceeding under this Act, issue in writing and cause to be  
26 served upon such person, a subpoena requiring such person: (A)

1 to produce such documentary material for inspection and  
2 copying, (B) to answer, in writing, written interrogatories  
3 with respect to such documentary material or information, (C)  
4 to give oral testimony concerning such documentary material or  
5 information, or (D) to furnish any combination of such  
6 material, answers, or testimony.

7 (h) The Office may order any person to answer a question or  
8 questions or produce evidence of any kind and confer immunity  
9 as provided in this subsection. If, in the course of any  
10 investigation or hearing conducted under this Act, a person  
11 refuses to answer a question or produce evidence on the ground  
12 that he or she will be exposed to criminal prosecution thereby,  
13 then in addition to any other remedies or sanctions provided  
14 for by this Act, the Office may, by resolution of the Board and  
15 after the written approval of the Attorney General, issue an  
16 order to answer or to produce evidence with immunity. Hearings,  
17 documents, and other communications regarding the granting of  
18 immunity are not subject to the Freedom of Information Act or  
19 the Open Meetings Act. If, upon issuance of such an order, the  
20 person complies therewith, he or she shall be immune from  
21 having such responsive answer given by him or her or such  
22 responsive evidence produced by him or her, or evidence derived  
23 therefrom, used to expose him or her to criminal prosecution,  
24 except that such person may nevertheless be prosecuted for any  
25 perjury committed in such answer or in producing such evidence,  
26 or for contempt for failing to give an answer or produce

1 evidence in accordance with the order of the Office; provided,  
2 however, that no period of incarceration for contempt shall  
3 exceed 18 months in duration. Any such answer given or evidence  
4 produced shall be admissible against him or her upon any  
5 criminal investigation, proceeding, or trial against him or her  
6 for such perjury; upon any investigation, proceeding or trial  
7 against him or her for such contempt; or in any manner  
8 consistent with State and constitutional provisions.

9 (i) When the Office or any entity authorized under this Act  
10 or the Illinois Horse Racing Act of 1975 is authorized or  
11 required by law to conduct a background investigation, the  
12 Office shall:

13 (1) conduct a criminal history record check  
14 investigation to obtain any information currently or  
15 subsequently contained in the files of the State Police  
16 and, if possible, the Federal Bureau of Investigation,  
17 regarding possible criminal behavior, including  
18 misdemeanor and felony convictions;

19 (2) conduct a civil action record check investigation  
20 to obtain information regarding any civil matters to which  
21 the person was a party, witness, or in any way  
22 substantially participated in the matter;

23 (3) conduct investigation of personal and professional  
24 references and acquaintances, including, but not limited  
25 to, current and former employers or employees; or

26 (4) conduct investigation of financial history.

1 (230 ILCS 10/5.5 new)

2 Sec. 5.5. Ethics provisions.

3 (a) Conflict of interest. Board members, members of the  
4 Nomination Panel, the Director of Gaming Enforcement, and  
5 employees may not engage in communications or any activity that  
6 may cause or have the appearance of causing a conflict of  
7 interest. A conflict of interest exists if a situation  
8 influences or creates the appearance that it may influence  
9 judgment or performance of regulatory duties and  
10 responsibilities. This prohibition shall extend to any act  
11 identified by Board action that, in the judgment of the Board,  
12 could represent the potential for or the appearance of a  
13 conflict of interest.

14 (b) No State constitutional officer or member of the  
15 General Assembly nor an entity from which the State  
16 constitutional officer or member of the General Assembly  
17 receives compensation may own an interest, either directly or  
18 indirectly, in a riverboat or land-based casino or have a  
19 financial interest or relationship, either directly or  
20 indirectly, with any entity that owns, operates, or is an  
21 affiliate of a riverboat or land-based casino for a period of 5  
22 years after the State constitutional officer or member of  
23 General Assembly leaves office. The holding or acquisition of  
24 an interest in such entities through indirect means, such as  
25 through a mutual fund, shall not be prohibited. For purposes of

1 this subsection (b), "State constitutional officer or member of  
2 the General Assembly" includes the spouse or minor child of the  
3 State constitutional officer or member of the General Assembly.  
4 A violation of this subsection (b) is a Class 4 felony.

5 (c) Financial interest. Board members, members of the  
6 Nomination Panel, the Director of Gaming Enforcement, and  
7 employees may not have a financial interest, directly or  
8 indirectly, in his or her own name or in the name of any other  
9 person, partnership, association, trust, corporation, or other  
10 entity, in any contract or subcontract for the performance of  
11 any work for the Board or for any licensee. This prohibition  
12 shall extend to the holding or acquisition of an interest in  
13 any entity identified by Board action that, in the judgment of  
14 the Board, could represent the potential for or the appearance  
15 of a financial interest. The holding or acquisition of an  
16 interest in such entities through an indirect means, such as  
17 through a mutual fund, shall not be prohibited, except that  
18 Board may identify specific investments or funds that, in its  
19 judgment, are so influenced by gaming holdings as to represent  
20 the potential for or the appearance of a conflict of interest.

21 (d) Gambling. Except as may be required in the conduct of  
22 official duties, Board members and employees and the Director  
23 of Gaming Enforcement shall not engage in gambling on any  
24 riverboat, in any casino, or in an electronic gaming facility  
25 licensed by the Board or engage in legalized gambling in any  
26 establishment identified by Board action that, in the judgment

1 of the Board, could represent a potential for a conflict of  
2 interest.

3 (e) Outside employment. A Board member, an employee, or the  
4 Director of Gaming Enforcement may not, within a period of 5  
5 years immediately after termination of employment, knowingly  
6 accept employment or receive compensation or fees for services  
7 from a person or entity, or its parent or affiliate, that has  
8 engaged in business with the Board that resulted in contracts  
9 with an aggregate value of at least \$25,000 or if that Board  
10 member, employee, or the Director has made a decision that  
11 directly applied to the person or entity, or its parent or  
12 affiliate. Board members and employees shall not hold or pursue  
13 employment, office, position, business, or occupation that  
14 conflict with his or her official duties. Board members shall  
15 not engage in other employment. Employees may engage in other  
16 gainful employment so long as that employment does not  
17 interfere or conflict with their duties and such employment is  
18 approved by the Board.

19 (f) Gift ban. Board members, the Director of Gaming  
20 Enforcement, and employees may not accept any gift, gratuity,  
21 service, compensation, travel, lodging, or thing of value, with  
22 the exception of unsolicited items of an incidental nature,  
23 from any person, corporation or entity doing business with the  
24 Board. For the Director and employees of the Office of Gaming  
25 Enforcement, this ban shall also apply to any person,  
26 corporation, or entity doing business with the Illinois Racing

1 Board.

2 (g) Abuse of Position. A Board member, member of the  
3 Nomination Panel, Director of Gaming Enforcement, or employee  
4 shall not use or attempt to use his or her official position to  
5 secure, or attempt to secure, any privilege, advantage, favor,  
6 or influence for himself or herself or others. No Board member,  
7 member of the Nomination Panel, Director of Gaming Enforcement,  
8 or employee of the Authority may attempt, in any way, to  
9 influence any person or corporation doing business with the  
10 Authority or any officer, agent, or employee thereof to hire or  
11 contract with any person or corporation for any compensated  
12 work.

13 (h) Political activity. No member of the Board, employee,  
14 or the Director of Gaming Enforcement shall engage in any  
15 political activity. For the purposes of this subsection,  
16 "political activity" means any activity in support of or in  
17 connection with any campaign for State or local elective office  
18 or any political organization, but does not include activities  
19 (i) relating to the support of opposition of any executive,  
20 legislative, or administrative action (as those terms are  
21 defined in Section 2 of the Lobbyist Registration Act), (ii)  
22 relating to collective bargaining, or (iii) that are otherwise  
23 in furtherance of the person's official State duties or  
24 governmental and public service functions.

25 (i) A spouse, child, or parent of a Board member, the  
26 Director of Gaming Enforcement, or an employee may not:

1           (1) Have a financial interest, directly or indirectly,  
2           in his or her own name or in the name of any other person,  
3           partnership, association, trust, corporation, or other  
4           entity, in any contract or subcontract for the performance  
5           of any work for the Board of any licensee. This prohibition  
6           shall extend to the holding or acquisition of an interest  
7           in any entity identified by Board action that, in the  
8           judgment of the Board, could represent the potential for or  
9           the appearance of a conflict of interest. The holding or  
10           acquisition of an interest in such entities through an  
11           indirect means, such as through a mutual fund, shall not be  
12           prohibited, except that the Board may identify specific  
13           investments or funds that, in its judgment, are so  
14           influenced by gaming holdings as to represent the potential  
15           for or the appearance of a conflict of interest.

16           (2) Accept any gift, gratuity, service, compensation,  
17           travel, lodging, or thing of value, with the exception of  
18           unsolicited items of an incidental nature, from any person,  
19           corporation or entity doing business with the Board.

20           (3) Within a period of 2 years immediately after  
21           termination of employment, knowingly accept employment or  
22           receive compensation or fees for services from a person or  
23           entity, or its parent or affiliate, that has engaged in  
24           business with the Board or Office of Gaming Enforcement  
25           that resulted in contracts with an aggregate value of at  
26           least \$25,000 or if the Board or Office has made a decision

1 that directly applied to the person or entity, or its  
2 parent or affiliate.

3 (j) Any Board member, member of the Nomination Panel,  
4 Director of Gaming Enforcement, or employee or spouse, child,  
5 or parent of a Board member, member of the Nomination Panel,  
6 Director of Gaming Enforcement, or employee who violates any  
7 provision of this Section is guilty of a Class 4 felony.

8 (230 ILCS 10/5.7 new)

9 Sec. 5.7. Ex parte communications.

10 (a) For the purpose of this Section:

11 "Ex parte communication" means any written or oral  
12 communication by any person that imparts or requests material  
13 information or makes a material argument regarding potential  
14 action concerning regulatory, quasi regulatory, investment, or  
15 licensing matters pending before or under consideration by the  
16 Illinois Gaming Board. "Ex parte communication" does not  
17 include the following: (i) statements by a person publicly made  
18 in a public forum; (ii) statements regarding matters of  
19 procedure and practice, such as format, the number of copies  
20 required, the manner of filing, and the status of a matter;  
21 (iii) statements regarding recommendation for pending or  
22 approved legislation; (iv) statements made by a State employee  
23 of the agency to the agency head or other employees of that  
24 agency.

25 "Ex parte communication" does not include conversations

1 concerning qualifications to serve on the Board or as Director  
2 of Gaming Enforcement between members of the Senate and  
3 nominees to the Board that occur in the time period between  
4 nomination by the Governor and either confirmation or rejection  
5 by the Senate.

6 "Interested party" means a person or entity whose rights,  
7 privileges, or interests are the subject of or are directly  
8 affected by a regulatory, quasi-adjudicatory, investment, or  
9 licensing matter of the Board.

10 (b) A constitutional officer, a member of the General  
11 Assembly, a special government agent as that term is defined in  
12 Section 4A-101 of the Illinois Governmental Ethics Act, a  
13 director, secretary, or other employee of the executive branch  
14 of the State, an employee of the legislative branch of the  
15 State, or an interested party may not engage in any ex parte  
16 communication with a member of the Board or an employee. A  
17 member of the Board or an employee must immediately report any  
18 ex parte communication to the Inspector General for gaming  
19 activities. A violation of this subsection (b) is a Class 4  
20 felony.

21 (c) A constitutional officer, a member of the General  
22 Assembly, a special government agent as that term is defined in  
23 Section 4A-101 of the Illinois Governmental Ethics Act, a  
24 director, secretary, or other employee of the executive branch  
25 of the State, an employee of the legislative branch of the  
26 State, or an interested party may not engage in any ex parte

1 communication with a nominee for the Board or a nominee for the  
2 Director of Gaming Enforcement. A person is deemed a nominee  
3 once they have submitted information to the nomination panel. A  
4 nominee must immediately report any ex parte communication to  
5 the Inspector General for gaming activities. A violation of  
6 this subsection (c) is a Class 4 felony.

7 (d) Any ex parte communication from a constitutional  
8 officer, a member of the General Assembly, a special government  
9 agent as that term is defined in Section 4A-101 of the Illinois  
10 Governmental Ethics Act, a director, secretary, or other  
11 employee of the executive branch of the State, an employee of  
12 the legislative branch of the State, or an interested party  
13 received by a member of the Nomination Panel or employee  
14 assisting the Nomination Panel must be immediately  
15 memorialized and made a part of the record at the next meeting.  
16 Report of the communication shall include all written  
17 communications along with a statement describing the nature and  
18 substance of all oral communications, any action the person  
19 requested or recommended, the identity and job title of the  
20 person to whom each communication was made, all responses made  
21 by the member. A violation of this subsection (d) is Class A  
22 misdemeanor.

23 (e) Notwithstanding any provision of this Section, if a  
24 State constitutional officer or member of the General Assembly  
25 or his or her designee determines that potential or actual  
26 Illinois Gaming Board, Illinois Racing Board, or Director of

1 Gaming Enforcement business would affect the health, safety,  
2 and welfare of the people of the State of Illinois, then the  
3 State constitutional officer or member of the General Assembly  
4 may submit questions or comments by written medium to the  
5 Chairman of the Illinois Gaming Board, Chairman of the Illinois  
6 Racing Board, or Director of Gaming Enforcement. Upon receipt  
7 of the message or question, the Chairman or Director shall  
8 submit the message or question to the entire board for a vote.

9 (230 ILCS 10/6) (from Ch. 120, par. 2406)

10 Sec. 6. Application for Owners License.

11 (a) A qualified person may apply to the Board for an owners  
12 license to conduct a riverboat gambling operation as provided  
13 in this Act. The application shall be made on forms provided by  
14 the Board and shall contain such information as the Board  
15 prescribes, including but not limited to the identity of the  
16 riverboat on which such gambling operation is to be conducted  
17 and the exact location where such riverboat will be docked, a  
18 certification that the riverboat will be registered under this  
19 Act at all times during which gambling operations are conducted  
20 on board, detailed information regarding the ownership and  
21 management of the applicant, and detailed personal information  
22 regarding the applicant. ~~Any application for an owners license~~  
23 ~~to be re-issued on or after June 1, 2003 shall also include the~~  
24 ~~applicant's license bid in a form prescribed by the Board.~~  
25 Information provided on the application shall be used as a

1 basis for a thorough background investigation which the Board  
2 shall conduct with respect to each applicant. An incomplete  
3 application shall be cause for denial of a license by the  
4 Board.

5 (a-5) In addition to any other information required under  
6 this Section, each application for an owners license must  
7 include the following information:

8 (1) The history and success of the applicant and each  
9 person and entity disclosed under subsection (c) of this  
10 Section in developing tourism facilities ancillary to  
11 gaming, if applicable.

12 (2) The likelihood that granting a license to the  
13 applicant will lead to the creation of quality, living wage  
14 jobs and permanent, full-time jobs for residents of the  
15 State and residents of the unit of local government that is  
16 designated as the home dock of the proposed facility where  
17 gambling is to be conducted by the applicant.

18 (3) The projected number of jobs that would be created  
19 if the license is granted and the projected number of new  
20 employees at the proposed facility where gambling is to be  
21 conducted by the applicant.

22 (4) The record of the applicant and its developer in  
23 meeting commitments to local agencies, community-based  
24 organizations, and employees at other locations where the  
25 applicant or its developer has performed similar functions  
26 as they would perform if the applicant were granted a

1 license.

2 (5) Identification of adverse effects that might be  
3 caused by the proposed facility where gambling is to be  
4 conducted by the applicant, including the costs of meeting  
5 increased demand for public health care, child care, public  
6 transportation, affordable housing, and social services,  
7 and a plan to mitigate those adverse effects.

8 (6) The record of the applicant and its developer  
9 regarding compliance with:

10 (A) Federal, State, and local discrimination, wage  
11 and hour, disability, and occupational and  
12 environmental health and safety laws.

13 (B) State and local labor relations and employment  
14 laws.

15 (7) The applicant's record in dealing with its  
16 employees and their representatives at other locations.

17 (8) A plan concerning the utilization of minority  
18 person-owned and female-owned businesses and concerning  
19 the hiring of minority persons and females. For the  
20 purposes of this item (8), the terms "minority person" and  
21 "female" have the meanings provided in Section 2 of the  
22 Business Enterprise for Minorities, Females, and Persons  
23 with Disabilities Act.

24 Each applicant must submit evidence to the Board that  
25 minority persons and females hold ownership interests in the  
26 applicant of at least 20% and 5%, respectively.

1 (b) Applicants shall submit with their application all  
2 documents, resolutions, and letters of support from the  
3 governing body that represents the municipality or county  
4 wherein the licensee will dock.

5 (c) Each applicant shall disclose the identity of every  
6 person, association, trust or corporation having a greater than  
7 1% direct or indirect pecuniary interest in the ~~riverboat~~  
8 gambling operation with respect to which the license is sought.  
9 If the disclosed entity is a trust, the application shall  
10 disclose the names and addresses of the beneficiaries; if a  
11 corporation, the names and addresses of all stockholders and  
12 directors; if a partnership, the names and addresses of all  
13 partners, both general and limited.

14 (d) An application shall be filed and considered in  
15 accordance with the rules of the Board ~~with the Board by~~  
16 ~~January 1 of the year preceding any calendar year for which an~~  
17 ~~applicant seeks an owners license; however, applications for an~~  
18 ~~owners license permitting operations on January 1, 1991 shall~~  
19 ~~be filed by July 1, 1990. A non-refundable~~ An application fee  
20 of \$250,000 ~~\$50,000~~ shall be paid at the time of filing and  
21 shall be applied to the initial license fee if the application  
22 is approved. ~~to defray the costs associated with the background~~  
23 ~~investigation conducted by the Board. If the costs of the~~  
24 ~~investigation exceed \$50,000, the applicant shall pay the~~  
25 ~~additional amount to the Board. If the costs of the~~  
26 ~~investigation are less than \$50,000, the applicant shall~~

1 ~~receive a refund of the remaining amount.~~ All information,  
2 records, interviews, reports, statements, memoranda or other  
3 data supplied to or used by the Board in the course of its  
4 review or investigation of an application for a license under  
5 this Act shall be privileged, strictly confidential and shall  
6 be used only for the purpose of evaluating an applicant. Such  
7 information, records, interviews, reports, statements,  
8 memoranda or other data shall not be admissible as evidence,  
9 nor discoverable in any action of any kind in any court or  
10 before any tribunal, board, agency or person, except for any  
11 action deemed necessary by the Board.

12 (e) (Blank). ~~The Board shall charge each applicant a fee~~  
13 ~~set by the Department of State Police to defray the costs~~  
14 ~~associated with the search and classification of fingerprints~~  
15 ~~obtained by the Board with respect to the applicant's~~  
16 ~~application. These fees shall be paid into the State Police~~  
17 ~~Services Fund.~~

18 (f) The licensed owner shall be the person primarily  
19 responsible for the boat itself. Only one riverboat gambling  
20 operation may be authorized by the Board on any riverboat. The  
21 applicant must identify each riverboat it intends to use and  
22 certify that the riverboat: (1) has the authorized capacity  
23 required in this Act; (2) is accessible to disabled persons;  
24 and (3) is fully registered and licensed in accordance with any  
25 applicable laws.

26 (f-1) The Gaming Board having the authority to grant any

1 owner's licenses after the effective date of this amendatory  
2 Act of the 95th General Assembly shall establish a process for  
3 determining minority ownership participation for any new  
4 owner's licenses authorized by this Act. The process shall  
5 determine which minority and female bidders may purchase an  
6 ownership interest in the new owner's license. The statutory  
7 ownership requirement for the new owner's license shall be 20%  
8 minority and 5% female.

9 Any rules promulgated by the Gaming Board shall conform to  
10 the following guidelines prioritized as follows: 1) promoting  
11 the empowerment of minorities and females to have meaningful  
12 participation in the ownership, operation, and management of  
13 riverboat gaming, 2) providing the most transparency in the  
14 process of providing ownership interests 3) provide minority  
15 and female investors with the greatest return on their  
16 investment, and 4) obtain the greatest amount of revenue for  
17 the State of Illinois.

18 The Gaming Board is required to promulgate such rules in an  
19 expeditious manner.

20 (g) A person who knowingly makes a false statement on an  
21 application is guilty of a Class A misdemeanor.

22 (Source: P.A. 93-28, eff. 6-20-03.)

23 (230 ILCS 10/7) (from Ch. 120, par. 2407)

24 Sec. 7. Owners Licenses.

25 (a) The Board shall issue owners licenses to persons, firms

1 or corporations which apply for such licenses upon payment to  
2 the Board of the non-refundable license fee set by the Board  
3 ~~pursuant to this Act, upon payment of a \$25,000 license fee for~~  
4 ~~the first year of operation and a \$5,000 license fee for each~~  
5 ~~succeeding year~~ and upon a determination by the Board that the  
6 applicant is eligible for an owners license pursuant to this  
7 Act and the rules of the Board. From May 26, 2006 ~~(For a period~~  
8 ~~of 2 years beginning on~~ the effective date of Public Act  
9 94-804) until the effective date of this amendatory Act of the  
10 95th General Assembly ~~this amendatory Act of the 94th General~~  
11 ~~Assembly,~~ as a condition of licensure and as an alternative  
12 source of payment for those funds payable under subsection  
13 (c-5) of Section 13 of this ~~the Riverboat Gambling~~ Act, any  
14 owners licensee that holds or receives its owners license on or  
15 after the effective date of this amendatory Act of the 94th  
16 General Assembly, other than an owners licensee operating a  
17 riverboat with adjusted gross receipts in calendar year 2004 of  
18 less than \$200,000,000, must pay into the Horse Racing Equity  
19 Trust Fund, in addition to any other payments required under  
20 this Act, an amount equal to 3% of the adjusted gross receipts  
21 received by the owners licensee. The payments required under  
22 this Section shall be made by the owners licensee to the State  
23 Treasurer no later than 3:00 o'clock p.m. of the day after the  
24 day when the adjusted gross receipts were received by the  
25 owners licensee. A person, firm or corporation is ineligible to  
26 receive an owners license if:

1 (1) the person has been convicted of a felony under the  
2 laws of this State, any other state, or the United States;

3 (2) the person has been convicted of any violation of  
4 Article 28 of the Criminal Code of 1961, or substantially  
5 similar laws of any other jurisdiction;

6 (3) the person has submitted an application for a  
7 license under this Act which contains false information;

8 (4) the person is a member of the Board;

9 (5) a person defined in (1), (2), (3) or (4) is an  
10 officer, director or managerial employee of the firm or  
11 corporation;

12 (6) the firm or corporation employs a person defined in  
13 (1), (2), (3) or (4) who participates in the management or  
14 operation of gambling operations authorized under this  
15 Act;

16 (7) (blank); or

17 (8) a license of the person, firm or corporation issued  
18 under this Act, or a license to own or operate gambling  
19 facilities in any other jurisdiction, has been revoked.

20 (a-5) The Board shall establish annual fees for the  
21 issuance or renewal of owners licenses by rule. The issuance  
22 fee shall be based upon the cost of investigation and  
23 consideration of the license application and shall not be less  
24 than \$250,000.

25 (a-10) From any amounts received for the reissuance of an  
26 owners license that was revoked before the effective date of

1 this amendatory Act of the 95th General Assembly, the sum of  
2 \$1,750,000 shall be paid by the licensee to the County of  
3 JoDaviess in recompense for expenses incurred by that unit of  
4 government with respect to former riverboat operations within  
5 the corporate limits of that county and the sum of \$1,750,000  
6 shall be paid by the licensee to the City of East Dubuque in  
7 recompense for expenses incurred by that unit of government  
8 with respect to former riverboat operations within the  
9 corporate limits of that municipality.

10 (b) In determining whether to grant an owners license,  
11 reissue a revoked owners license, or non-renew an owners  
12 license to an applicant, the Board shall consider:

13 (1) the character, reputation, experience and  
14 financial integrity of the applicants and of any other or  
15 separate person that either:

16 (A) controls, directly or indirectly, such  
17 applicant, or

18 (B) is controlled, directly or indirectly, by such  
19 applicant or by a person which controls, directly or  
20 indirectly, such applicant;

21 (2) the facilities or proposed facilities for the  
22 conduct of riverboat gambling;

23 (3) the highest prospective total revenue to be derived  
24 by the State from the conduct of ~~riverboat~~ gambling;

25 (4) the extent to which the ownership of the applicant  
26 reflects the diversity of the State by including minority

1 persons and females and the good faith affirmative action  
2 plan of each applicant to recruit, train and upgrade  
3 minority persons and females in all employment  
4 classifications;

5 (5) the financial ability of the applicant to purchase  
6 and maintain adequate liability and casualty insurance;

7 (6) whether the applicant has adequate capitalization  
8 to provide and maintain, for the duration of a license, a  
9 riverboat;

10 (7) the extent to which the applicant exceeds or meets  
11 other standards for the issuance of an owners license which  
12 the Board may adopt by rule; and

13 (8) The amount of the applicant's license bid made  
14 pursuant to Section 7.5.

15 (c) Each owners license shall specify the place where  
16 riverboats shall operate and dock.

17 (d) Each applicant shall submit with his application, on  
18 forms provided by the Board, 2 sets of his fingerprints.

19 (e) The Board may issue up to 11 ~~10~~ licenses authorizing  
20 the holders of such licenses to own riverboats. In the  
21 application for an owners license, the applicant shall state  
22 the dock at which the riverboat is based and the water on which  
23 the riverboat will be located. The Board shall issue 5 licenses  
24 to become effective not earlier than January 1, 1991. Three of  
25 such licenses shall authorize riverboat gambling on the  
26 Mississippi River, or, with approval by the municipality in

1 which the riverboat was docked on August 7, 2003 and with Board  
2 approval, be authorized to relocate to a new location, in a  
3 municipality that (1) borders on the Mississippi River or is  
4 within 5 miles of the city limits of a municipality that  
5 borders on the Mississippi River and (2), on August 7, 2003,  
6 had a riverboat conducting riverboat gambling operations  
7 pursuant to a license issued under this Act; one of which shall  
8 authorize riverboat gambling from a home dock in the city of  
9 East St. Louis. One other license shall authorize riverboat  
10 gambling on the Illinois River south of Marshall County. The  
11 Board shall issue one additional license to become effective  
12 not earlier than March 1, 1992, which shall authorize riverboat  
13 gambling on the Des Plaines River in Will County. The Board may  
14 issue 4 additional licenses to become effective not earlier  
15 than March 1, 1992. After the 5 members of the Board are  
16 appointed and qualified pursuant to this amendatory Act of the  
17 95th General Assembly, the Board may issue one additional  
18 license subject to the competitive bidding process described in  
19 Section 7.5. In determining the water upon which riverboats  
20 will operate, the Board shall consider the economic benefit  
21 which riverboat gambling confers on the State, and shall seek  
22 to assure that all regions of the State share in the economic  
23 benefits of riverboat gambling.

24 In granting all licenses, the Board may give favorable  
25 consideration to economically depressed areas of the State, to  
26 applicants presenting plans which provide for significant

1 economic development over a large geographic area, and to  
2 applicants who currently operate non-gambling riverboats in  
3 Illinois. The Board shall review all applications for owners  
4 licenses, and shall inform each applicant of the Board's  
5 decision. The Board may grant an owners license to an applicant  
6 that has not submitted the highest license bid, but if it does  
7 not select the highest bidder, the Board shall issue a written  
8 decision explaining why another applicant was selected and  
9 identifying the factors set forth in this Section that favored  
10 the winning bidder.

11 (e-5) In addition to any other revocation powers granted to  
12 the Board under this Act, the Board may revoke the owners  
13 license of a licensee which fails to begin conducting gambling  
14 within 12 ~~15~~ months of receipt of the Board's approval of the  
15 application if the Board determines that license revocation is  
16 in the best interests of the State. The Board may, after  
17 holding a public hearing, grant extensions so long as an owners  
18 licensee is working in good faith to begin conducting gambling.  
19 The extension may be for a period of 6 months. If, after the  
20 period of the extension, a licensee has not begun to conduct  
21 gambling, another public hearing must be held by the Board  
22 before it may grant another extension.

23 (f) The ~~first 10~~ owners licenses issued under this Act  
24 shall permit the holder to own the riverboat ~~up to 2 riverboats~~  
25 and equipment ~~thereon~~ for a period of 3 years after the  
26 effective date of the license. Holders of ~~the first 10~~ owners

1 licenses must pay the annual license fee for each of the 3  
2 years during which they are authorized to conduct gambling  
3 operations ~~own riverboats.~~

4 (g) Upon the termination, expiration, or revocation of each  
5 owners license ~~of the first 10 licenses, which shall be issued~~  
6 ~~for a 3 year period,~~ all licenses are renewable for a period of  
7 4 years, unless the Board sets a shorter period, ~~annually~~ upon  
8 payment of the fee and a determination by the Board that the  
9 licensee continues to meet all of the requirements of this Act  
10 and the Board's rules. ~~However, for licenses renewed on or~~  
11 ~~after May 1, 1998, renewal shall be for a period of 4 years,~~  
12 ~~unless the Board sets a shorter period.~~

13 (h) An owners license shall entitle the licensee to operate  
14 1,200 gaming positions plus any additional positions  
15 authorized and obtained under subsection (h-2) of this Section  
16 or subsection (f) of Section 7.7.

17 (h-2) Beginning on the effective date of this amendatory  
18 Act of the 95th General Assembly, the Board shall make an equal  
19 portion of an additional 3,500 positions available to each  
20 owners licensee conducting gambling operations on the  
21 effective date of this amendatory Act subject to an initial fee  
22 of \$50,000 per position, plus the reconciliation payment as  
23 required under subsection (h-5). Within 30 days after the Board  
24 offers the positions, owners licensees may apply to the Board  
25 to operate any portion of their allocated positions. The  
26 \$50,000 fee per position is payable in full at the time

1 positions are awarded. Any positions that are not obtained by  
2 an owners licensee shall be retained by the Board and shall be  
3 offered in equal amounts to owners licensees who have purchased  
4 the full amount of positions offered to them. This process  
5 shall continue in a timely manner until all positions have been  
6 purchased. In the event that any positions remain unpurchased,  
7 those positions shall first be made available in equal amounts  
8 to all electronic gaming licensees under Section 7.7, subject  
9 to the payment of all applicable fees. In the event that  
10 positions remain unpurchased after being offered to electronic  
11 gaming licensees, those positions shall be held by the Board  
12 for an owners licensee that was not conducting gambling  
13 operations on the effective date of this amendatory Act of the  
14 95th General Assembly. All positions obtained pursuant to this  
15 process must be in operation within 12 months after they were  
16 obtained or the licensee forfeits the right to operate all of  
17 the positions, but is not entitled to a refund of any fees  
18 paid. The Board may, after holding a public hearing, grant  
19 extensions so long as an organization licensee is working in  
20 good faith to begin conducting electronic gaming. The extension  
21 may be for a period of 6 months. If, after the period of the  
22 extension, a licensee has not begun to conduct electronic  
23 gaming, another public hearing must be held by the Board before  
24 it may grant another extension.

25 Subject to approval by the Board, owners licensees  
26 conducting gambling operations on the effective date of this

1 amendatory Act of the 95th General Assembly may make  
2 modifications and additions to their facilities, including the  
3 portion that sits on land, to accommodate any additional  
4 positions obtained under this subsection (h-2). A minimum of  
5 1,200 positions must operate on water. The positions allowed on  
6 land must be located in a single structure no farther than 100  
7 yards from the water-based portion of the facility. Subject to  
8 approval by the Board, the positions may be placed in a  
9 temporary location for up to 12 months after the positions are  
10 obtained, but the Board may grant extensions as provided in  
11 this subsection (h-2).

12 (h-5) An owners licensee who purchases additional  
13 positions under subsection (h-2) must make a reconciliation  
14 payment 4 years after the date the owners license begins  
15 operating the additional positions in an amount equal to 75% of  
16 the owner licensee's annual adjusted gross receipts for the  
17 most lucrative 12-month period of operations within the  
18 previous 4 years, minus (i) the owners licensee's annual  
19 adjusted gross receipts from 2007 and (ii) an amount equal to  
20 \$50,000 per additional position obtained pursuant to  
21 subsection (h-2). If this calculation results in a negative  
22 amount, then the owners licensee is not entitled to any  
23 reimbursement of fees previously paid. This reconciliation  
24 payment may be made in installments over a period on no more  
25 than 5 years, subject to Board approval. ~~own up to 2~~  
26 riverboats.

1           ~~A licensee shall limit the number of gambling participants~~  
2 ~~to 1,200 for any such owners license. A licensee may operate~~  
3 ~~both of its riverboats concurrently, provided that the total~~  
4 ~~number of gambling participants on both riverboats does not~~  
5 ~~exceed 1,200. Riverboats licensed to operate on the Mississippi~~  
6 ~~River and the Illinois River south of Marshall County shall~~  
7 ~~have an authorized capacity of at least 500 persons. Any other~~  
8 ~~riverboat licensed under this Act shall have an authorized~~  
9 ~~capacity of at least 400 persons.~~

10           (i) An owners licensee ~~A licensed owner~~ is authorized to  
11 apply to the Board for and, if approved therefor, to receive  
12 all licenses from the Board necessary for the operation of a  
13 licensed facility ~~riverboat~~, including a liquor license, a  
14 license to prepare and serve food for human consumption, and  
15 other necessary licenses. All use, occupation and excise taxes  
16 which apply to the sale of food and beverages in this State and  
17 all taxes imposed on the sale or use of tangible personal  
18 property apply to such sales in a licensed facility ~~aboard the~~  
19 ~~riverboat~~.

20           (j) The Board may issue or re-issue a license authorizing a  
21 riverboat to dock in a municipality or approve a relocation  
22 under Section 11.2 only if, prior to the issuance or  
23 re-issuance of the license or approval, the governing body of  
24 the municipality in which the riverboat will dock has by a  
25 majority vote approved the docking of riverboats in the  
26 municipality. The Board may issue or re-issue a license

1 authorizing a riverboat to dock in areas of a county outside  
2 any municipality or approve a relocation under Section 11.2  
3 only if, prior to the issuance or re-issuance of the license or  
4 approval, the governing body of the county has by a majority  
5 vote approved of the docking of riverboats within such areas.

6 (Source: P.A. 93-28, eff. 6-20-03; 93-453, eff. 8-7-03; 94-667,  
7 eff. 8-23-05; 94-804, eff. 5-26-06.)

8 (230 ILCS 10/7.3)

9 Sec. 7.3. State conduct of gambling operations.

10 (a) If, after reviewing each application for a new or  
11 re-issued gaming license, the Board determines that it is in  
12 the best interest of the people of the State of Illinois for  
13 the the highest prospective total revenue to the State would be  
14 derived from State to conduct gambling operations ~~conduct of~~  
15 ~~the gambling operation~~ in lieu of issuing or re-issuing the  
16 gaming license, the Board shall inform each applicant of its  
17 decision. The Board shall thereafter have the authority,  
18 without obtaining a gaming ~~an owners~~ license, to conduct  
19 ~~riverboat~~ gambling operations as previously authorized by the  
20 new, terminated, expired, revoked, or nonrenewed license  
21 through a licensed manager selected pursuant to an open and  
22 competitive bidding process as set forth in Section 7.5 and as  
23 provided in Section 7.4.

24 (a-5) If, prior to the issuance of one additional license  
25 authorized by Section 7(e), the Board determines that the

1 highest prospective total revenue to the State would be derived  
2 from the conduct of gambling as operated by the Illinois Casino  
3 Development Authority as opposed to a privately owned  
4 authority, the Board shall inform each applicant of its  
5 decision. The Illinois Casino Development Authority shall  
6 thereafter have the authority to obtain a gaming license from  
7 the Board authorizing the conduct of gaming operations in a  
8 casino. The Board shall have the same authority over the  
9 Illinois Casino Development Authority as any other licensee  
10 under this Act.

11 (b) The Board may locate any riverboat on which a gambling  
12 operation is conducted by the State in any home dock location  
13 authorized by Section 3(c) upon receipt of approval from a  
14 majority vote of the governing body of the municipality or  
15 county, as the case may be, in which the riverboat will dock.

16 (c) The Board shall have jurisdiction over and shall  
17 supervise all gambling operations conducted by the State  
18 provided for in this Act and shall have all powers necessary  
19 and proper to fully and effectively execute the provisions of  
20 this Act relating to gambling operations conducted by the  
21 State.

22 (d) The maximum number of owners licenses authorized under  
23 Section 7 ~~7(e)~~ shall be reduced by one for each instance in  
24 which the Board authorizes the State to conduct a riverboat  
25 gambling operation under subsection (a) in lieu of issuing or  
26 re-issuing a license to an applicant ~~under Section 7.1.~~

1 (Source: P.A. 93-28, eff. 6-20-03.)

2 (230 ILCS 10/7.4)

3 Sec. 7.4. Managers licenses.

4 (a) A qualified person may apply to the Board for a  
5 managers license to operate and manage any gambling operation  
6 conducted by the State. The application shall be made on forms  
7 provided by the Board and shall contain such information as the  
8 Board prescribes, including but not limited to information  
9 required in Sections 6(a), (b), and (c) and information  
10 relating to the applicant's proposed price to manage State  
11 gambling operations and to provide the riverboat, gambling  
12 equipment, and supplies necessary to conduct State gambling  
13 operations.

14 (b) (Blank). ~~Each applicant must submit evidence to the~~  
15 ~~Board that minority persons and females hold ownership~~  
16 ~~interests in the applicant of at least 16% and 4%,~~  
17 ~~respectively.~~

18 (c) A person, firm, or corporation is ineligible to receive  
19 a managers license if:

20 (1) the person has been convicted of a felony under the  
21 laws of this State, any other state, or the United States;

22 (2) the person has been convicted of any violation of  
23 Article 28 of the Criminal Code of 1961, or substantially  
24 similar laws of any other jurisdiction;

25 (3) the person has submitted an application for a

1 license under this Act which contains false information;

2 (4) the person is a member of the Board;

3 (5) a person defined in (1), (2), (3), or (4) is an  
4 officer, director, or managerial employee of the firm or  
5 corporation;

6 (6) the firm or corporation employs a person defined in  
7 (1), (2), (3), or (4) who participates in the management or  
8 operation of gambling operations authorized under this  
9 Act; or

10 (7) a license of the person, firm, or corporation  
11 issued under this Act, or a license to own or operate  
12 gambling facilities in any other jurisdiction, has been  
13 revoked.

14 (d) Each applicant shall submit with his or her  
15 application, on forms prescribed by the Board, 2 sets of his or  
16 her fingerprints.

17 (e) The Board shall charge each applicant a fee, set by the  
18 Board, to defray the costs associated with the background  
19 investigation conducted by the Board.

20 (f) A person who knowingly makes a false statement on an  
21 application is guilty of a Class A misdemeanor.

22 (g) The managers license shall be for a term not to exceed  
23 10 years, shall be renewable at the Board's option, and shall  
24 contain such terms and provisions as the Board deems necessary  
25 to protect or enhance the credibility and integrity of State  
26 gambling operations, achieve the highest prospective total

1 revenue to the State, and otherwise serve the interests of the  
2 citizens of Illinois.

3 (h) Issuance of a managers license shall be subject to an  
4 open and competitive bidding process. The Board may select an  
5 applicant other than the lowest bidder by price. If it does not  
6 select the lowest bidder, the Board shall issue a notice of who  
7 the lowest bidder was and a written decision as to why another  
8 bidder was selected.

9 (Source: P.A. 93-28, eff. 6-20-03.)

10 (230 ILCS 10/7.5)

11 Sec. 7.5. Competitive Bidding. When the Board issues or  
12 re-issues an owners license authorized under Section 7 or  
13 ~~determines that it will re issue an owners license pursuant to~~  
14 ~~an open and competitive bidding process, as set forth in~~  
15 ~~Section 7.1, or~~ that it will issue a managers license pursuant  
16 to an open and competitive bidding process, as set forth in  
17 Section 7.4, the open and competitive bidding process shall  
18 adhere to the following procedures:

19 (1) The Board shall make applications for owners and  
20 managers licenses available to the public and allow a  
21 reasonable time for applicants to submit applications to the  
22 Board.

23 (2) During the filing period for owners or managers license  
24 applications, the Board may retain the services of an  
25 investment banking firm to assist the Board in conducting the

1 open and competitive bidding process.

2 (3) After receiving all of the bid proposals, the Board  
3 shall open all of the proposals in a public forum and disclose  
4 the prospective owners or managers names, venture partners, if  
5 any, and, in the case of applicants for owners licenses, the  
6 locations of the proposed development sites.

7 (4) The Board shall summarize the terms of the proposals  
8 and may make this summary available to the public.

9 (5) The Board shall evaluate the proposals within a  
10 reasonable time and select no more than 3 final applicants to  
11 make presentations of their proposals to the Board.

12 (6) The final applicants shall make their presentations to  
13 the Board on the same day during an open session of the Board.

14 (7) As soon as practicable after the public presentations  
15 by the final applicants, the Board, in its discretion, may  
16 conduct further negotiations among the 3 final applicants.  
17 During such negotiations, each final applicant may increase its  
18 license bid or otherwise enhance its bid proposal. At the  
19 conclusion of such negotiations, the Board shall select the  
20 winning proposal. In the case of negotiations for an owners  
21 license, the Board may, at the conclusion of such negotiations,  
22 make the determination allowed under Section 7.3(a).

23 (8) Upon selection of a winning bid, the Board shall  
24 evaluate the winning bid within a reasonable period of time for  
25 licensee suitability in accordance with all applicable  
26 statutory and regulatory criteria.

1 (9) If the winning bidder is unable or otherwise fails to  
2 consummate the transaction, (including if the Board determines  
3 that the winning bidder does not satisfy the suitability  
4 requirements), the Board may, on the same criteria, select from  
5 the remaining bidders or make the determination allowed under  
6 Section 7.3(a).

7 (Source: P.A. 93-28, eff. 6-20-03.)

8 (230 ILCS 10/7.7 new)

9 Sec. 7.7. Electronic gaming.

10 (a) The General Assembly finds that the horse racing and  
11 riverboat gambling industries share many similarities and  
12 collectively comprise the bulk of the State's gaming industry.  
13 One feature in common to both industries is that each is highly  
14 regulated by the State of Illinois.

15 The General Assembly further finds, however, that despite  
16 their shared features each industry is distinct from the other  
17 in that horse racing is and continues to be intimately tied to  
18 Illinois' agricultural economy and is, at its core, a spectator  
19 sport. This distinction requires the General Assembly to  
20 utilize different methods to regulate and promote the horse  
21 racing industry throughout the State.

22 The General Assembly finds that in order to promote live  
23 horse racing as a spectator sport in Illinois and the  
24 agricultural economy of this State, it is necessary to allow  
25 electronic gaming at Illinois race tracks given the success of

1 other states in increasing live racing purse accounts and  
2 improving the quality of horses participating in horse race  
3 meetings.

4 The General Assembly finds, however, that even though the  
5 authority to conduct electronic gaming is a uniform means to  
6 improve live horse racing in this State, electronic gaming must  
7 be regulated and implemented differently in southern Illinois  
8 versus the Chicago area. The General Assembly finds that  
9 Fairmount Park is the only race track operating on a year-round  
10 basis that offers live racing and for that matter only conducts  
11 live thoroughbred racing. The General Assembly finds that the  
12 current state of affairs deprives spectators and standardbred  
13 horsemen residing in southern Illinois of the opportunity to  
14 participate in live standardbred racing in a manner similar to  
15 spectators, thoroughbred horsemen, and standardbred horsemen  
16 residing in the Chicago area. The General Assembly declares  
17 that southern Illinois spectators and standardbred horsemen  
18 are entitled to have a similar opportunity to participate in  
19 live standardbred racing as spectators in the Chicago area. The  
20 General Assembly declares that in order to remove this  
21 disparity between southern Illinois and the Chicago area, it is  
22 necessary for the State to mandate standardbred racing  
23 throughout the State by tying the authorization to conduct  
24 electronic gaming to a commitment to conduct at least 25 days  
25 of standardbred racing in any county in which an organization  
26 licensee is operating.

1       (b) The Board shall award one electronic gaming license to  
2 each organization licensee under the Illinois Horse Racing Act  
3 of 1975, subject to application and eligibility requirements of  
4 this Act, including the payment of all applicable fees.

5       (c) As soon as practical after the effective date of this  
6 amendatory Act of the 95th General Assembly, the Board may  
7 authorize up to 3,600 aggregate electronic gambling positions  
8 statewide as provided in this Section. The authority to operate  
9 positions under this Section shall be allocated as follows:

10       (1) The organization licensee operating at Arlington  
11 Park Race Course may operate up to 1,100 gaming positions  
12 at a time;

13       (2) The organization licensees operating at Hawthorne  
14 Race Course, including the organization licensee formerly  
15 operating at Sportsman's Park, may collectively operate up  
16 to 900 gaming positions at a time;

17       (3) The organization licensee operating at Balmoral  
18 Park may operate up to 300 gaming positions at a time;

19       (4) The organization licensee operating at Maywood  
20 Park may operate up to 800 gaming positions at a time; and

21       (5) The organization licensee operating at Fairmount  
22 Park may operate up to 500 gaming positions at a time.

23       (d) Any positions that are not obtained by an organization  
24 licensee shall be retained by the Gaming Board and shall be  
25 offered in equal amounts to electronic gaming licensees who  
26 have purchased all of the positions that were offered. This

1 process shall continue until all positions have been purchased.  
2 All positions obtained pursuant to this process must be in  
3 operation within 12 months after they were obtained or the  
4 electronic gaming licensee forfeits the right to operate all of  
5 the positions, but is not entitled to a refund of any fees  
6 paid. The Board may, after holding a public hearing, grant  
7 extensions so long as an gaming licensee is working in good  
8 faith to begin conducting electronic gaming. The extension may  
9 be for a period of 6 months. If, after the period of the  
10 extension, a licensee has not begun to conduct electronic  
11 gaming, another public hearing must be held by the Board before  
12 it may grant another extension.

13 (e) In the event that any positions remain unpurchased,  
14 those positions shall first be made available in equal amounts  
15 to owners licensees conducting gambling operations on the  
16 effective date of this amendatory Act of the 95th General  
17 Assembly under subsection (h-2) of Section 7, subject to the  
18 payment of all applicable fees. In the event the positions  
19 remain unpurchased after being offered to owners licensees  
20 conducting gambling operations on the effective date of this  
21 amendatory Act of the 95th General Assembly, those positions  
22 shall be held by the Board for any owners licensee that was not  
23 conducting gambling operations on the effective date of this  
24 amendatory Act.

25 (f) The Gaming Board shall determine hours of operation for  
26 electronic gaming facilities by rule.

1       (g) To be eligible to conduct electronic gaming, an  
2 organization licensee must (i) obtain an electronic gaming  
3 license, (ii) hold an organization license under the Illinois  
4 Horse Racing Act of 1975, (iii) hold an inter-track wagering  
5 license, (iv) pay an initial fee of \$50,000 for each position  
6 it is authorized to operate, plus make the reconciliation  
7 payment required under subsection (i), (v) meet the live racing  
8 requirements set forth in Section 20 of the Illinois Horse  
9 Racing Act of 1975, and (vi) meet all other requirements of  
10 this Act that apply to owners licensees. The \$50,000 fee per  
11 position is payable in full at the time the positions are  
12 awarded.

13       (h) Each organization licensee who obtains electronic  
14 gaming positions must make a reconciliation payment 4 years  
15 after the date the electronic gaming licensee begins operating  
16 the positions in an amount equal to 75% of the net adjusted  
17 gross receipts from electronic gaming for the most lucrative  
18 12-month period of operations, minus an amount equal to \$50,000  
19 per electronic gaming position. If this calculation results in  
20 a negative amount, then the electronic gaming licensee is not  
21 entitled to any reimbursement of fees previously paid. This  
22 reconciliation payment may be made in installments over a  
23 period of no more than 5 years, subject to Board approval. For  
24 the purpose of this subsection (h), "net adjusted gross  
25 receipts" has the same meaning as that term is given in  
26 subsection (a-5) of Section 13.

1       (i) For each calendar year after 2007 in which an  
2 electronic gaming licensee requests a number of racing days  
3 under its organization license that is less than 90% of the  
4 number of days of live racing it was awarded in 2007, the  
5 electronic gaming licensee may not conduct electronic gaming.

6       (j) In any calendar year that an organization licensee with  
7 an electronic gaming license conducts fewer races than they  
8 were awarded in that calendar year, except for the reasons  
9 specified in subsection (e-3) of Section 20 of the Illinois  
10 Horse Racing Act of 1975, the revenues retained by the  
11 electronic gaming licensee from electronic gaming on the days  
12 when racing was awarded and did not occur will be split evenly  
13 between that organization licensee's purse account and the  
14 Racing Industry Worker's Trust Fund.

15       (k) Subject to the approval of the Illinois Gaming Board  
16 and the Illinois Racing Board, an electronic gaming licensee  
17 may make any temporary or permanent modification or additions  
18 to any existing or new buildings and structures. No  
19 modifications or additions shall alter the grounds of the  
20 organization licensee such that the act of live racing is an  
21 ancillary activity to electronic gaming.

22       Electronic gaming may take place in existing structures  
23 where inter-track wagering is conducted at the race track or a  
24 facility within 300 yards of the race track in accordance with  
25 the provisions of this Act and the Illinois Horse Racing Act of  
26 1975. Any electronic gaming conducted at a facility within 300

1 yards of the race track in accordance with this Act and the  
2 Illinois Horse Racing Act of 1975 shall have an all-weather  
3 egress connecting the electronic gaming facility and the race  
4 track facility.

5 The electronic gambling facility must be distinctly  
6 separate from the other areas of the racetrack to prohibit the  
7 entrance of persons under 21 years of age and for the purpose  
8 of tracking admissions to the electronic gambling facility to  
9 comply with the admissions taxes under the Illinois Horse  
10 Racing Act of 1975 and this Act.

11 (l) An electronic gaming licensee may conduct electronic  
12 gaming at a temporary facility pending the construction of a  
13 permanent facility or the remodeling of an existing facility to  
14 accommodate electronic gaming participants for up to 12 months  
15 after receiving an electronic gaming license. The Board may  
16 grant extensions as provided in subsection (d) of this Section.

17 (m) The Illinois Gaming Board may adopt emergency rules in  
18 accordance with Section 5-45 of the Illinois Administrative  
19 Procedure Act as necessary to ensure compliance with the  
20 provisions of this amendatory Act of the 95th General Assembly  
21 concerning electronic gaming. The adoption of emergency rules  
22 authorized by this subsection (m) shall be deemed to be  
23 necessary for the public interest, safety, and welfare.

24 (n) As soon as practical after a request is made by the  
25 Illinois Gaming Board, to minimize duplicate submissions by the  
26 applicant, the Illinois Racing Board must provide information

1 on an applicant for an electronic gaming license to the  
2 Illinois Gaming Board.

3 (o) The electronic gaming licenses issued under this Act  
4 shall permit the holder to own the licensed facility and  
5 equipment for a period of 3 years after the effective date of  
6 the license. Holders of electronic gaming licenses must pay the  
7 annual license fee for each of the 3 years during which they  
8 are authorized to conduct gambling operations.

9 (p) Upon the termination, expiration, or revocation of each  
10 electronic gaming license, all licenses are renewable for a  
11 period of 4 years, unless the Board sets a shorter period, upon  
12 payment of the fee and a determination by the Board that the  
13 licensee continues to meet all of the requirements of this Act  
14 and the Board's rules.

15 (230 ILCS 10/7.8 new)

16 Sec. 7.8. Home rule. The regulation and licensing of  
17 electronic gaming and electronic gaming licensees are  
18 exclusive powers and functions of the State. A home rule unit  
19 may not regulate or license electronic gaming or electronic  
20 gaming licensees. This Section is a denial and limitation of  
21 home rule powers and functions under subsection (h) of Section  
22 6 of Article VII of the Illinois Constitution.

23 (230 ILCS 10/7.10 new)

24 Sec. 7.10. Electronic poker.

1       (a) A gaming licensee may apply to the Board for  
2 authorization to operate up to 100 electronic poker positions  
3 at its licensed facility. The authorization that the Board  
4 issues to the gaming licensee shall specify the number of  
5 electronic poker positions the gaming licensee may operate,  
6 which shall not be counted against the limit on the number of  
7 gaming positions under this Act.

8       (b) The Board must adopt rules for the authorization and  
9 administration of the conduct of electronic poker.

10       (230 ILCS 10/7.11 new)

11       Sec. 7.11. Casino license. Upon approval of the Authority  
12 Board and the casino operator licensee, the Illinois Gaming  
13 Board shall issue a casino license to the Authority that  
14 authorizes the conduct of gambling operations in a land-based  
15 facility located in the City of Chicago. A casino license shall  
16 authorize the holder to operate 4,000 gaming positions. The  
17 Illinois Gaming Board shall assess a license fee of  
18 \$200,000,000, plus (i) \$300,000,000 or (ii) 50% of the total  
19 amount received by the Authority pursuant to a bid for a casino  
20 management contract or an executed casino management contract  
21 as authorized under the Chicago Casino Development Authority  
22 Act, whichever is greater. The Board shall deposit the license  
23 fee into the Illinois Works Fund.

24       In granting any license authorizing the conduct of gambling  
25 operations in a casino, the Illinois Gaming Board shall

1 determine the fitness of the licensee to hold the license in  
2 the same manner as any other license under this Act. If the  
3 license is held by the Authority, the Illinois Gaming Board  
4 shall have the same authority over that licensee as any other  
5 licensee under this Act.

6 (230 ILCS 10/7.11a new)

7 Sec. 7.11a. State casino license. Upon approval of the  
8 State Board and the State casino operator licensee, the  
9 Illinois Gaming Board shall issue a casino license to the State  
10 Authority that authorizes the conduct of gambling located in  
11 this State. A casino license shall authorize the holder to  
12 operate 4,000 gaming positions.

13 (230 ILCS 10/7.12 new)

14 Sec. 7.12. Casino operator license or State casino operator  
15 license.

16 (a) A qualified person may apply to the Board for a casino  
17 operator license or State casino operator license to operate  
18 and manage any gambling operation conducted by the Authority or  
19 State Authority. The application shall be made on forms  
20 provided by the Board and shall contain such information as the  
21 Board prescribes, including but not limited to information  
22 required in Sections 6(a), (b), and (c) and information  
23 relating to the applicant's proposed price to manage the  
24 Authority's or State Authority's gambling operations and to

1 provide the casino, gambling equipment, and supplies necessary  
2 to conduct gambling operations.

3 (b) A person, firm, or corporation is ineligible to receive  
4 a casino operator license or State casino operator license if:

5 (1) the person has been convicted of a felony under the  
6 laws of this State, any other state, or the United States;

7 (2) the person has been convicted of any violation of  
8 Article 28 of the Criminal Code of 1961, or substantially  
9 similar laws of any other jurisdiction;

10 (3) the person has submitted an application for a  
11 license under this Act that contains false information;

12 (4) the person is a member of the Board;

13 (5) a person defined in (1), (2), (3), or (4) is an  
14 officer, director, or managerial employee of the firm or  
15 corporation;

16 (6) the firm or corporation employs a person defined in  
17 (1), (2), (3), or (4) who participates in the management or  
18 operation of gambling operations authorized under this  
19 Act; or

20 (7) a license of the person, firm, or corporation  
21 issued under this Act, or a license to own or operate  
22 gambling facilities in any other jurisdiction, has been  
23 revoked.

24 (c) In determining whether to grant a casino operator  
25 license or State casino operator license, the Board shall  
26 consider:

1           (1) the character, reputation, experience and  
2           financial integrity of the applicants and of any other or  
3           separate person that either:

4                   (A) controls, directly or indirectly, such  
5                   applicant, or

6                   (B) is controlled, directly or indirectly, by such  
7                   applicant or by a person which controls, directly or  
8                   indirectly, such applicant;

9           (2) the facilities or proposed facilities for the  
10           conduct of gambling;

11           (3) the highest prospective total revenue to be derived  
12           by the State from the conduct of gambling;

13           (4) the extent to which the ownership of the applicant  
14           reflects the diversity of the State by including minority  
15           persons and females and the good faith affirmative action  
16           plan of each applicant to recruit, train, and upgrade  
17           minority persons and females in all employment  
18           classifications;

19           (5) the financial ability of the applicant to purchase  
20           and maintain adequate liability and casualty insurance;

21           (6) whether the applicant has adequate capitalization  
22           to provide and maintain, for the duration of a license, a  
23           casino; and

24           (7) the extent to which the applicant exceeds or meets  
25           other standards for the issuance of a managers license that  
26           the Board may adopt by rule.

1       (d) Each applicant shall submit with his or her  
2 application, on forms prescribed by the Board, 2 sets of his or  
3 her fingerprints.

4       (e) The Board shall charge each applicant a fee, set by the  
5 Board, to defray the costs associated with the background  
6 investigation conducted by the Office of Gaming Enforcement.

7       (f) A person who knowingly makes a false statement on an  
8 application is guilty of a Class A misdemeanor.

9       (g) The casino operator license or State casino operator  
10 license shall be issued only upon proof that it has entered  
11 into a labor peace agreement with each labor organization that  
12 is actively engaged in representing and attempting to represent  
13 casino and hospitality industry workers in this State. The  
14 labor peace agreement must be a valid and enforceable agreement  
15 under 29 U.S.C. 185 that protects the city's and State's  
16 revenues from the operation of the casino facility by  
17 prohibiting the labor organization and its members from  
18 engaging in any picketing, work stoppages, boycotts, or any  
19 other economic interference with the casino facility for at  
20 least the first 5 years of the casino license and must cover  
21 all operations at the casino facility that are conducted by  
22 lessees or tenants or under management agreements.

23       (h) The casino operator license or State casino operator  
24 license shall be for a term not to exceed 10 years, shall be  
25 renewable at the Board's option, and shall contain such terms  
26 and provisions as the Board deems necessary to protect or

1 enhance the credibility and integrity of State gambling  
2 operations, achieve the highest prospective total revenue to  
3 the State, and otherwise serve the interests of the citizens of  
4 Illinois.

5 (230 ILCS 10/7.14 new)

6 Sec. 7.14. Obligations of licensure; licensure is a  
7 privilege.

8 (a) All licensees under this Act have a continuing duty to  
9 maintain suitability for licensure. A license does not create a  
10 property right, but is a revocable privilege granted by the  
11 State contingent upon continuing suitability for licensure.

12 (b) Licensees under this Act shall have a continuing,  
13 affirmative duty to investigate the backgrounds of its  
14 principal shareholders and officers.

15 (c) An applicant for licensure under this Act is seeking a  
16 privilege and assumes and accepts any and all risk of adverse  
17 publicity, notoriety, embarrassment, criticism, or other  
18 action or financial loss which may occur in connection with the  
19 application process. Any misrepresentation or omission made  
20 with respect to an application may be grounds for denial of the  
21 application.

22 (230 ILCS 10/7.15 new)

23 Sec. 7.15. Undue economic concentration.

24 (a) In addition to considering all other requirements under

1 this Act, in deciding whether to approve direct or indirect  
2 ownership or control of a gaming license, the Board shall  
3 consider the impact of any economic concentration of the  
4 ownership or control. No direct or indirect ownership or  
5 control shall be approved and no gaming license shall be issued  
6 or transferred to or held by any person or entity if the Board  
7 determines that approval, issuance, transfer, or holding shall  
8 result in undue economic concentration in the direct or  
9 indirect ownership or control of gambling operations in  
10 Illinois. However, under no circumstances shall the geographic  
11 location of any gaming license be a factor in determining  
12 whether an undue economic concentration exists.

13 (b) For the purposes of this Section, "undue economic  
14 concentration" means that a person or entity would have actual  
15 or potential domination of gambling in Illinois sufficient to:

16 (1) substantially impede or suppress competition among  
17 holders of gaming licenses;

18 (2) adversely impact the economic stability of the  
19 gaming industry in Illinois; or

20 (3) negatively impact the purposes of this Act,  
21 including tourism, economic development, benefits to local  
22 communities, and State and local revenues.

23 (c) In determining whether the issuance, transfer, or  
24 holding, directly or indirectly, of a gaming license shall  
25 result in undue economic concentration, the Board shall  
26 consider the following criteria:

1           (1) The percentage share of the market presently owned  
2           or controlled by a person or entity, directly or  
3           indirectly, in each of the following categories:

4           (A) The total number of licensed facilities in  
5           Illinois.

6           (B) Total gaming square footage.

7           (C) Number of persons employed in the gambling  
8           operation and any affiliated hotel operation.

9           (D) Number of guest rooms in an affiliated hotel.

10          (E) Number of electronic gaming devices.

11          (F) Number of table games.

12          (G) Net revenue and adjusted gross receipts.

13          (H) Table win.

14          (I) Electronic gaming device win.

15          (J) Table drop.

16          (K) Electronic gaming device drop.

17          (2) The estimated increase in the market shares in the  
18          categories in item (1) of this subsection (c) if the person  
19          or entity is approved, or is issued or permitted to hold  
20          the gaming license.

21          (3) The relative position of other persons or entities  
22          that own or control gaming licenses in Illinois, as  
23          evidenced by the market shares of each gaming license in  
24          the categories in item (1) of this subsection (c).

25          (4) The current and projected financial condition of  
26          the gaming industry.

1           (5) Current market conditions, including level of  
2           competition, consumer demand, market concentration, and  
3           any other relevant characteristics of the market.

4           (6) Whether the gaming licenses to be issued,  
5           transferred or held, directly or indirectly, by the person  
6           or entity have separate organizational structures or other  
7           independent obligations.

8           (7) The potential impact on the projected future growth  
9           and development of the gambling industry, the local  
10           communities in which gaming licenses are located, and the  
11           State of Illinois.

12           (8) The barriers to entry into the gambling industry,  
13           including the licensure requirements of this Act and its  
14           rules, and whether the issuance or transfer to, or holding,  
15           directly or indirectly, of, a gaming license by the person  
16           or entity will operate as a barrier to new companies and  
17           individuals desiring to enter the market.

18           (9) Whether the issuance or transfer to or holding,  
19           directly or indirectly, of the gaming license by the person  
20           or entity will adversely impact on consumer interests, or  
21           whether such issuance, transfer or holding is likely to  
22           result in enhancing the quality and customer appeal of  
23           products and services offered by licensed facilities in  
24           order to maintain or increase their respective market  
25           shares.

26           (10) Whether a restriction on the issuance or transfer

1       of a gaming license to, or holding, directly or indirectly,  
2       of, an additional gaming license by the person is necessary  
3       in order to encourage and preserve competition in casino  
4       operations.

5           (11) Any other information deemed relevant by the  
6       Board.

7       (d) A current licensee may bid on any license awarded after  
8       the effective date of this amendatory Act of the 95th General  
9       Assembly; provided however, if the Board determines issuance of  
10       the license will result in undue economic concentration, the  
11       Board may require the licensee to divest holdings in a current  
12       license as a condition of granting a license. The Board may  
13       also require a licensee to divest holdings in a current license  
14       if the licensee acquires an additional license through transfer  
15       or sale.

16           (230 ILCS 10/7.25 new)

17       Sec. 7.25. Diversity program.

18       (a) Each gaming licensee and suppliers licensee shall  
19       establish and maintain a diversity program to ensure  
20       non-discrimination in the award and administration of  
21       contracts. The programs shall establish goals of awarding not  
22       less than 25% of the annual dollar value of all contracts,  
23       purchase orders, or other agreements to minority owned  
24       businesses and 5% of the annual dollar value of all contracts  
25       to female owned businesses.

1       (b) Each gaming licensee shall establish and maintain a  
2 diversity program designed to promote equal opportunity for  
3 employment. The program shall establish hiring goals as the  
4 Board and each licensee determines appropriate. The Board shall  
5 monitor the progress of the gaming licensees' progress with  
6 respect to the program's goals.

7       (c) No later than May 31st of each year each licensee shall  
8 report to the Board the number of respective employees and the  
9 number of their respective employees who have designated  
10 themselves as members of a minority group and gender. In  
11 addition, all licensees shall submit a report with respect to  
12 the minority owned and female owned businesses program created  
13 in this Section to the Board.

14       (d) There is created the Diversity Program Commission. The  
15 Commission shall consist of 2 members appointed by the  
16 Governor, 2 members appointed by the President of the Senate, 2  
17 members appointed by the Minority Leader of the Senate, 2  
18 members appointed by the Speaker of the House of  
19 Representatives, and 2 members appointed by the Minority leader  
20 of the House of Representatives. Within 2 years after the  
21 members of the Commission are appointed, the Commission shall  
22 file a report with the Illinois Gaming Board, the General  
23 Assembly, and the Governor regarding the status of minority and  
24 female participation in gaming investment opportunities. The  
25 report shall focus on all of the following topics:

26       (1) The percentage of minorities and females that

1 currently reside in Illinois.

2 (2) The history of discrimination against minorities  
3 and females within the gaming industry in Illinois.

4 (3) The availability of ready, willing, and able  
5 minorities and females in Illinois to invest in gaming  
6 operations within the State.

7 (4) The current amount of gaming investment throughout  
8 Illinois by minorities and females.

9 (5) The need throughout the State to remedy past  
10 discrimination practices regarding investment  
11 opportunities for these groups.

12 (6) Other facts and statistical data to support the  
13 need for remedial measures as a result of historical  
14 exclusion of these groups within the gaming industry.

15 (230 ILCS 10/7.30 new)

16 Sec. 7.30. Electronic gaming license transfer fee.

17 (a) An electronic gaming licensee or any other person must  
18 apply for and receive the Illinois Gaming Board's approval  
19 before:

20 (1) an electronic gaming license is transferred, sold,  
21 or purchased; or

22 (2) a voting trust agreement or other similar agreement  
23 is established with respect to the electronic gaming  
24 license.

25 (b) The Illinois Gaming Board shall adopt rules governing

1 the procedure an electronic gaming licensee or other person  
2 must follow to take an action under subsection (a) and (d). The  
3 rules must specify that a person who obtains an ownership  
4 interest in an electronic gaming license must meet the criteria  
5 of this Act and comply with all applicable rules adopted by the  
6 Illinois Gaming Board. A licensee may transfer an electronic  
7 gaming license only in accordance with this Act and the rules  
8 adopted by the Illinois Gaming Board.

9 (c) Except in compliance with rules adopted by the Illinois  
10 Gaming Board, which shall not prohibit holders of electronic  
11 gaming licenses or the parent companies of any such holders  
12 from borrowings for the purpose of developing a gaming  
13 investment nor, with respect to any public company, borrowings  
14 at the parent level for general corporate purposes consistent  
15 with past practices, in each case in the event such borrowings  
16 are secured generally by substantially all of the assets of  
17 holders or their parent companies, a person may not lease,  
18 hypothecate, or borrow or loan money against an electronic  
19 gaming license.

20 (d) Except as provided in subsection (e), a transfer fee is  
21 imposed on an initial licensee who sells or otherwise  
22 relinquishes an interest in an electronic gaming license in an  
23 amount equal to the lesser for 20% of the net proceeds received  
24 or the estimated net proceeds that could have been received  
25 from the gaming positions added as a result of the electronic  
26 gaming license for a period of one year preceding the license

1 transfer multiplied by the percentage interest in the  
2 electronic gaming license sold or the percentage interest sold  
3 multiplied by the product of the original gaming positions  
4 licensed times \$20,000

5 This transfer fee will no longer be due on and after the  
6 fifth anniversary of the effective date of this amendatory Act  
7 of the 95th General Assembly.

8 (e) The fee imposed by subsection (d) shall not apply if:

9 (1) The electronic gaming license is transferred as a  
10 result of any of the following:

11 (A) Bankruptcy, a receivership, or a debt  
12 adjustment initiated by or against the initial  
13 licensee or the substantial owners of the initial  
14 license.

15 (B) Cancellation, revocation, or termination of  
16 the electronic gaming licensee's license by the  
17 Illinois Gaming Board.

18 (C) A determination by the Illinois Gaming Board  
19 that transfer of the license is in the best interests  
20 of Illinois Gaming.

21 (D) The death of an owner of the equity interest in  
22 a licensee.

23 (E) A transaction in which less than a 5% interest  
24 of a publicly traded company is transferred.

25 (F) A transfer by a parent company to a wholly  
26 owned subsidiary.

1           (2) The controlling interest in the electronic gaming  
2           license is transferred in a transaction to lineal  
3           descendants in which no gain or loss is recognized or as a  
4           result of a transaction in accordance with Section 351 of  
5           the Internal Revenue Code in which no gain or loss is  
6           recognized.

7           (f) The transfer of an electronic gaming license by a  
8           person other than the initial licensee to receive the  
9           electronic gaming license is not subject to a transfer fee.

10           (230 ILCS 10/8)   (from Ch. 120, par. 2408)

11           Sec. 8. Suppliers licenses.

12           (a) The Board may issue a suppliers license to such  
13 persons, firms or corporations which apply therefor upon the  
14 payment of a non-refundable application fee set by the Board,  
15 upon a determination by the Board that the applicant is  
16 eligible for a suppliers license and upon payment of a \$5,000  
17 annual license fee.

18           (b) The holder of a suppliers license is authorized to sell  
19 or lease, and to contract to sell or lease, gambling equipment  
20 and supplies to any licensee involved in the ownership or  
21 management of gambling operations.

22           (c) Gambling supplies and equipment may not be distributed  
23 unless supplies and equipment conform to standards adopted by  
24 rules of the Board.

25           (d) A person, firm or corporation is ineligible to receive

1 a suppliers license if:

2 (1) the person has been convicted of a felony under the  
3 laws of this State, any other state, or the United States;

4 (2) the person has been convicted of any violation of  
5 Article 28 of the Criminal Code of 1961, or substantially  
6 similar laws of any other jurisdiction;

7 (3) the person has submitted an application for a  
8 license under this Act which contains false information;

9 (4) the person is a member of the Board;

10 (5) the firm or corporation is one in which a person  
11 defined in (1), (2), (3) or (4), is an officer, director or  
12 managerial employee;

13 (6) the firm or corporation employs a person who  
14 participates in the management or operation of riverboat  
15 gambling authorized under this Act;

16 (7) the license of the person, firm or corporation  
17 issued under this Act, or a license to own or operate  
18 gambling facilities in any other jurisdiction, has been  
19 revoked.

20 (e) Any person that supplies any equipment, devices, or  
21 supplies to a gambling operation at a licensed facility  
22 ~~licensed riverboat gambling operation~~ must first obtain a  
23 suppliers license. A supplier shall furnish to the Board a list  
24 of all equipment, devices and supplies offered for sale or  
25 lease in connection with gambling ~~games~~ authorized under this  
26 Act. A supplier shall keep books and records for the furnishing

1 of equipment, devices and supplies to gambling operations  
2 separate and distinct from any other business that the supplier  
3 might operate. A supplier shall file a quarterly return with  
4 the Board listing all sales and leases. A supplier shall  
5 permanently affix its name to all its equipment, devices, and  
6 supplies for gambling operations. Any supplier's equipment,  
7 devices or supplies which are used by any person in an  
8 unauthorized gambling operation shall be forfeited to the  
9 State. A gaming licensee ~~licensed owner~~ may own its own  
10 equipment, devices and supplies. Each gaming licensee ~~holder of~~  
11 ~~an owners license under the Act~~ shall file an annual report  
12 listing its inventories of gambling equipment, devices and  
13 supplies.

14 (f) Any person who knowingly makes a false statement on an  
15 application is guilty of a Class A misdemeanor.

16 (g) Any gambling equipment, devices and supplies provided  
17 by any licensed supplier may either be repaired at the licensed  
18 facility ~~on the riverboat~~ or removed from the licensed facility  
19 ~~riverboat~~ to a an on shore facility owned by gaming licensee  
20 ~~the holder of an owners license~~ for repair.

21 (Source: P.A. 86-1029; 87-826.)

22 (230 ILCS 10/9) (from Ch. 120, par. 2409)

23 Sec. 9. Occupational licenses.

24 (a) The Board may issue an occupational license to an  
25 applicant upon the payment of a non-refundable fee set by the

1 Board, upon a determination by the Board that the applicant is  
2 eligible for an occupational license and upon payment of an  
3 annual license fee in an amount to be established. To be  
4 eligible for an occupational license, an applicant must:

5 (1) be at least 21 years of age if the applicant will  
6 perform any function involved in gaming by patrons. Any  
7 applicant seeking an occupational license for a non-gaming  
8 function shall be at least 18 years of age;

9 (2) not have been convicted of a felony offense, a  
10 violation of Article 28 of the Criminal Code of 1961, or a  
11 similar statute of any other jurisdiction, or a crime  
12 involving dishonesty or moral turpitude;

13 (3) have demonstrated a level of skill or knowledge  
14 which the Board determines to be necessary in order to  
15 operate gambling at a licensed facility or to staff a  
16 Responsible Play Information Center ~~aboard a riverboat~~;  
17 and

18 (4) have met standards for the holding of an  
19 occupational license as adopted by rules of the Board. Such  
20 rules shall provide that any person or entity seeking an  
21 occupational license to manage gambling operations  
22 hereunder shall be subject to background inquiries and  
23 further requirements similar to those required of  
24 applicants for an owners license. Furthermore, such rules  
25 shall provide that each such entity shall be permitted to  
26 manage gambling operations for only one licensed owner.

1           (b) Each application for an occupational license shall be  
2 on forms prescribed by the Board and shall contain all  
3 information required by the Board. The applicant shall set  
4 forth in the application: whether he has been issued prior  
5 gambling related licenses; whether he has been licensed in any  
6 other state under any other name, and, if so, such name and his  
7 age; and whether or not a permit or license issued to him in  
8 any other state has been suspended, restricted or revoked, and,  
9 if so, for what period of time.

10           (c) Each applicant shall submit with his application, on  
11 forms provided by the Board, 2 sets of his fingerprints. The  
12 Board shall charge each applicant a fee set by the Department  
13 of State Police to defray the costs associated with the search  
14 and classification of fingerprints obtained by the Board with  
15 respect to the applicant's application. These fees shall be  
16 paid into the State Police Services Fund.

17           (d) The Board may in its discretion refuse an occupational  
18 license to any person: (1) who is unqualified to perform the  
19 duties required of such applicant; (2) who fails to disclose or  
20 states falsely any information called for in the application;  
21 (3) who has been found guilty of a violation of this Act or  
22 whose prior gambling related license or application therefor  
23 has been suspended, restricted, revoked or denied for just  
24 cause in any other state; or (4) for any other just cause.

25           (e) The Board may suspend, revoke or restrict any  
26 occupational licensee: (1) for violation of any provision of

1 this Act; (2) for violation of any of the rules and regulations  
2 of the Board; (3) for any cause which, if known to the Board,  
3 would have disqualified the applicant from receiving such  
4 license; or (4) for default in the payment of any obligation or  
5 debt due to the State of Illinois; or (5) for any other just  
6 cause.

7 (f) A person who knowingly makes a false statement on an  
8 application is guilty of a Class A misdemeanor.

9 (g) Any license issued pursuant to this Section shall be  
10 valid for a period of one year from the date of issuance.

11 (h) Nothing in this Act shall be interpreted to prohibit a  
12 gaming licensee ~~licensed owner~~ from entering into an agreement  
13 with a school approved under the Private Business and  
14 Vocational Schools Act for the training of any occupational  
15 licensee. Any training offered by such a school shall be in  
16 accordance with a written agreement between the gaming licensee  
17 ~~licensed owner~~ and the school.

18 (i) Any training provided for occupational licensees may be  
19 conducted either at the licensed facility ~~on the riverboat~~ or  
20 at a school with which a gaming licensee ~~licensed owner~~ has  
21 entered into an agreement pursuant to subsection (h).

22 (Source: P.A. 86-1029; 87-826.)

23 (230 ILCS 10/9.3 new)

24 Sec. 9.3. License fees; deposit.

25 (a) The Board shall annually determine the annual cost of

1 maintaining control and regulatory activities contemplated by  
2 this Act for each individual licensee. The Office of Gaming  
3 Enforcement shall certify to the Board actual and prospective  
4 costs of the investigative and enforcement functions of the  
5 Office. These costs, together with the general operating  
6 expenses of the Board, shall be the basis for the fee imposed  
7 on each licensee. Each individual licensee's fees shall be  
8 based upon disproportionate costs for each individual  
9 licensee.

10 (b) Upon issuance or the first renewal of a gaming license  
11 after the effective date of this amendatory Act of the 95th  
12 General Assembly, a gaming licensee shall deposit \$100,000 into  
13 a fund held by the Director of the Office of Gaming Enforcement  
14 separate from State moneys. The moneys in the fund shall be  
15 used by the Director of the Office of Gaming Enforcement for  
16 the purpose of conducting any investigation concerning that  
17 licensee. Upon each subsequent renewal of a gaming license, the  
18 gaming licensee shall deposit the amount necessary to bring the  
19 moneys in the fund attributable to that licensee to \$100,000.

20 (230 ILCS 10/9.5 new)

21 Sec. 9.5. Contractor disclosure of political  
22 contributions.

23 (a) As used in this Section:

24 "Contracts" means any agreement for services or goods for a  
25 period to exceed one year or with an annual value of at least

1 \$10,000.

2 "Contribution" means contribution as defined in this act.

3 "Affiliated person" means (i) any person with any ownership  
4 interest or distributive share of the bidding or contracting  
5 entity in excess of 1%, (ii) executive employees of the bidding  
6 or contracting entity, and (iii) the spouse and minor children  
7 of any such persons.

8 "Affiliated entity" means (i) any parent or subsidiary of  
9 the bidding or contracting entity, (ii) any member of the same  
10 unitary business group, or (iii) any political committee for  
11 which the bidding or contracting entity is the sponsoring  
12 entity.

13 (b) A bidder, offeror, or contractor for contracts with a  
14 licensee shall disclose all political contributions of the  
15 bidder, offeror, or contractor and any affiliated person or  
16 entity. Such disclosure must accompany any contract. The  
17 disclosure must be submitted to the Board with a copy of the  
18 contract prior to Board approval of the contract. The  
19 disclosure of each successful bidder or offeror shall become  
20 part of the publicly available record.

21 (c) Disclosure by the bidder, offeror, or contractor shall  
22 include at least the names and addresses of the contributors  
23 and the dollar amounts of any contributions to any political  
24 committee made within the previous 2 years.

25 (d) The Board shall refuse to approve any contract that  
26 does not include the required disclosure. The Board must

1 include the disclosure on their website.

2 (e) The Board may direct a licensee to void a contract if a  
3 violation of this Section occurs.

4 (230 ILCS 10/11) (from Ch. 120, par. 2411)

5 Sec. 11. Conduct of gambling. Gambling may be conducted by  
6 gaming licensees at licensed facilities or in a temporary  
7 location as provided in this Act. Gambling authorized under  
8 this Section shall be ~~licensed owners or licensed managers on~~  
9 ~~behalf of the State aboard riverboats,~~ subject to the following  
10 standards:

11 (1) An owners ~~A~~ licensee may conduct riverboat gambling  
12 authorized under this Act regardless of whether it conducts  
13 excursion cruises. A licensee may permit the continuous  
14 ingress and egress of passengers for the purpose of  
15 gambling.

16 (2) (Blank).

17 (3) Minimum and maximum wagers on games shall be set by  
18 the licensee.

19 (4) Agents of the Office of Gaming Enforcement ~~Board~~  
20 ~~and the Department of State Police~~ may board and inspect  
21 any licensed facility ~~riverboat~~ at any time for the purpose  
22 of determining whether this Act is being complied with.  
23 Every riverboat, if under way and being hailed by a law  
24 enforcement officer or agent of the Board, must stop  
25 immediately and lay to.

1           (5) Employees of the Board or Office of Gaming  
2           Enforcement shall have the right to be present at the  
3           licensed facility ~~on the riverboat~~ or on adjacent  
4           facilities under the control of the gaming licensee.

5           (6) Gambling equipment and supplies customarily used  
6           in the conduct of ~~conducting riverboat~~ gambling must be  
7           purchased or leased only from suppliers licensed for such  
8           purpose under this Act.

9           (7) Persons licensed under this Act shall permit no  
10          form of wagering on gambling games except as permitted by  
11          this Act.

12          (8) Wagers may be received only from a person present  
13          at a licensed facility ~~on a licensed riverboat~~. No person  
14          present at a licensed facility ~~on a licensed riverboat~~  
15          shall place or attempt to place a wager on behalf of  
16          another person who is not present at the licensed facility  
17          ~~on the riverboat~~.

18          (9) Wagering, including electronic gaming, shall not  
19          be conducted with money or other negotiable currency.

20          (10) A person under age 21 shall not be permitted on an  
21          area of a licensed facility ~~riverboat~~ where gambling is  
22          being conducted, except for a person at least 18 years of  
23          age who is an employee of the ~~riverboat~~ gambling operation.  
24          No employee under age 21 shall perform any function  
25          involved in gambling by the patrons. No person under age 21  
26          shall be permitted to make a wager under this Act.

1           (11) Gambling excursion cruises are permitted only  
2 when the waterway for which the riverboat is licensed is  
3 navigable, as determined by the Board in consultation with  
4 the U.S. Army Corps of Engineers. This paragraph (11) does  
5 not limit the ability of a licensee to conduct gambling  
6 authorized under this Act when gambling excursion cruises  
7 are not permitted.

8           (12) All tokens, chips, or electronic cards used to  
9 make wagers must be purchased (i) from an owners licensee a  
10 licensed owner or manager, in the case of a riverboat,  
11 either aboard the ~~a~~ riverboat or at an onshore facility  
12 which has been approved by the Board and which is located  
13 where the riverboat docks, (ii) in the case of a casino,  
14 from a licensed casino operator at the casino, or (iii)  
15 from an electronic gaming licensee at the electronic gaming  
16 facility. The tokens, chips or electronic cards may be  
17 purchased by means of an agreement under which the owner or  
18 manager extends credit to the patron. Such tokens, chips or  
19 electronic cards may be used while at the licensed facility  
20 ~~aboard the riverboat~~ only for the purpose of making wagers  
21 on gambling games and electronic poker.

22           (13) Notwithstanding any other Section of this Act, in  
23 addition to the other licenses authorized under this Act,  
24 the Board may issue special event licenses allowing persons  
25 who are not otherwise licensed to conduct riverboat  
26 gambling to conduct such gambling on a specified date or

1 series of dates. Riverboat gambling under such a license  
2 may take place on a riverboat not normally used for  
3 riverboat gambling. The Board shall establish standards,  
4 fees and fines for, and limitations upon, such licenses,  
5 which may differ from the standards, fees, fines and  
6 limitations otherwise applicable under this Act. All such  
7 fees shall be deposited into the State Gaming Fund. All  
8 such fines shall be deposited into the Education Assistance  
9 Fund, created by Public Act 86-0018, of the State of  
10 Illinois.

11 (14) In addition to the above, gambling must be  
12 conducted in accordance with all rules adopted by the  
13 Board.

14 (Source: P.A. 93-28, eff. 6-20-03.)

15 (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

16 Sec. 11.1. Collection of amounts owing under credit  
17 agreements. Notwithstanding any applicable statutory provision  
18 to the contrary, a gaming licensee ~~licensed owner or manager~~  
19 who extends credit to a ~~riverboat~~ gambling patron pursuant to  
20 Section 11 (a) (12) of this Act is expressly authorized to  
21 institute a cause of action to collect any amounts due and  
22 owing under the extension of credit, as well as the owner's or  
23 manager's costs, expenses and reasonable attorney's fees  
24 incurred in collection.

25 (Source: P.A. 93-28, eff. 6-20-03.)

1 (230 ILCS 10/11.2)

2 Sec. 11.2. Relocation of riverboat home dock.

3 (a) Prior to the effective date of this amendatory Act of  
4 the 95th General Assembly, a ~~A~~ licensee that was not conducting  
5 riverboat gambling on January 1, 1998 may apply to the Board  
6 for renewal and approval of relocation to a new home dock  
7 location authorized under Section 3(c) and the Board shall  
8 grant the application and approval upon receipt by the licensee  
9 of approval from the new municipality or county, as the case  
10 may be, in which the licensee wishes to relocate pursuant to  
11 Section 7(j).

12 (b) Any licensee that relocates its home dock pursuant to  
13 this Section shall attain a level of at least 20% minority  
14 person and female ownership, at least 16% and 4% respectively,  
15 within a time period prescribed by the Board, but not to exceed  
16 12 months from the date the licensee begins conducting gambling  
17 at the new home dock location. The 12-month period shall be  
18 extended by the amount of time necessary to conduct a  
19 background investigation pursuant to Section 6. For the  
20 purposes of this Section, the terms "female" and "minority  
21 person" have the meanings provided in Section 2 of the Business  
22 Enterprise for Minorities, Females, and Persons with  
23 Disabilities Act.

24 (Source: P.A. 91-40, eff. 6-25-99.)

1 (230 ILCS 10/12) (from Ch. 120, par. 2412)

2 Sec. 12. Admission tax; fees.

3 (a) A tax is hereby imposed upon admissions to riverboats  
4 and casinos operated by licensed owners and upon admissions to  
5 casinos and riverboats operated by casino operators on behalf  
6 of the Authority authorized pursuant to this Act. Until July 1,  
7 2002, the rate is \$2 per person admitted. From July 1, 2002  
8 until July 1, 2003, the rate is \$3 per person admitted. From  
9 July 1, 2003 until the effective date of this amendatory Act of  
10 the 94th General Assembly, for a licensee that admitted  
11 1,000,000 persons or fewer in the previous calendar year, the  
12 rate is \$3 per person admitted; for a licensee that admitted  
13 more than 1,000,000 but no more than 2,300,000 persons in the  
14 previous calendar year, the rate is \$4 per person admitted; and  
15 for a licensee that admitted more than 2,300,000 persons in the  
16 previous calendar year, the rate is \$5 per person admitted.  
17 Beginning on August 23, 2005 (the effective date of Public Act  
18 94-673) and until the effective date of this amendatory Act of  
19 the 95th General Assembly ~~this amendatory Act of the 94th~~  
20 ~~General Assembly~~, for a licensee that admitted 1,000,000  
21 persons or fewer in calendar year 2004, the rate is \$2 per  
22 person admitted, and for all other licensees the rate is \$3 per  
23 person admitted. Beginning on the effective date of this  
24 amendatory Act of the 95th General Assembly, for a licensee  
25 that conducted riverboat gambling operations in calendar year  
26 2003 and (i) admitted 1,000,000 persons or fewer in the

1 calendar year 2003, the rate is \$1 per person admitted; (ii)  
2 admitted more than 1,000,000 persons but fewer than 1,500,000  
3 persons, the rate is \$2 per person admitted; and (iii) admitted  
4 1,500,000 persons or more, the rate is \$3 per person admitted.  
5 For a licensee that receives its license under subsection (e-5)  
6 or (e-6) of Section 7 or that conducts riverboat gambling  
7 operations pursuant to a dormant license, the rate is \$3 per  
8 person admitted. This admission tax is imposed upon the  
9 licensed owner conducting gambling. For the purposes of this  
10 Section 12, the term "dormant license" has the meaning set  
11 forth under subsection (a-3) of Section 13.

12 (1) The admission tax shall be paid for each admission,  
13 except that a person who exits a riverboat gambling  
14 facility and reenters that riverboat gambling facility  
15 within the same gaming day shall be subject only to the  
16 initial admission tax. The Board shall establish, by rule,  
17 a procedure to determine whether a person admitted to a  
18 riverboat gambling facility or casino has paid the  
19 admission tax.

20 (2) (Blank).

21 (3) An owners licensee and the Authority ~~The riverboat~~  
22 ~~licensee~~ may issue tax-free passes to actual and necessary  
23 officials and employees of the licensee or other persons  
24 actually working on the riverboat or in the casino.

25 (4) The number and issuance of tax-free passes is  
26 subject to the rules of the Board, and a list of all

1 persons to whom the tax-free passes are issued shall be  
2 filed with the Board.

3 (a-5) A fee is hereby imposed upon admissions operated by  
4 licensed managers on behalf of the State pursuant to Section  
5 7.3 at the rates provided in this subsection (a-5). For a  
6 licensee that admitted 1,000,000 persons or fewer in the  
7 previous calendar year, the rate is \$3 per person admitted; for  
8 a licensee that admitted more than 1,000,000 but no more than  
9 2,300,000 persons in the previous calendar year, the rate is \$4  
10 per person admitted; and for a licensee that admitted more than  
11 2,300,000 persons in the previous calendar year, the rate is \$5  
12 per person admitted.

13 (1) The admission fee shall be paid for each admission.

14 (2) (Blank).

15 (3) The licensed manager may issue fee-free passes to  
16 actual and necessary officials and employees of the manager  
17 or other persons actually working on the riverboat.

18 (4) The number and issuance of fee-free passes is  
19 subject to the rules of the Board, and a list of all  
20 persons to whom the fee-free passes are issued shall be  
21 filed with the Board.

22 (b) From the tax imposed under subsection (a) and the fee  
23 imposed under subsection (a-5), a municipality shall receive  
24 from the State \$1 for each person embarking on a riverboat  
25 docked within the municipality or entering a casino located  
26 within the municipality, and a county shall receive \$1 for each

1 person entering a casino or embarking on a riverboat docked  
2 within the county but outside the boundaries of any  
3 municipality. The municipality's or county's share shall be  
4 collected by the Board on behalf of the State and remitted  
5 quarterly by the State, subject to appropriation, to the  
6 treasurer of the unit of local government for deposit in the  
7 general fund. For each admission in excess of 1,500,000 in a  
8 year, from the tax imposed under this Section, the county in  
9 which the licensee's home dock is located shall receive,  
10 subject to appropriation, \$0.15, which shall be in addition to  
11 any other moneys paid to the county under this Section.

12 (c) The licensed owner and the licensed casino operator  
13 conducting gambling operations on behalf of the Authority shall  
14 pay the entire admission tax to the Board and the licensed  
15 manager shall pay the entire admission fee to the Board. Such  
16 payments shall be made daily. Accompanying each payment shall  
17 be a return on forms provided by the Board which shall include  
18 other information regarding admissions as the Board may  
19 require. Failure to submit either the payment or the return  
20 within the specified time may result in suspension or  
21 revocation of the owners or managers license.

22 (d) The Board shall administer and collect the admission  
23 tax imposed by this Section, to the extent practicable, in a  
24 manner consistent with the provisions of Sections 4, 5, 5a, 5b,  
25 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the  
26 Retailers' Occupation Tax Act and Section 3-7 of the Uniform

1 Penalty and Interest Act.

2 (Source: P.A. 94-673, eff. 8-23-05; 95-663, eff. 10-11-07.)

3 (230 ILCS 10/12.1 new)

4 Sec. 12.1. Identification required. An owners licensee  
5 shall implement procedures to obtain a valid government-issued  
6 photo identification card containing, at a minimum, a date of  
7 birth from patrons appearing to be age 30 and under prior to  
8 the patron passing through the admission turnstiles. The owners  
9 licensee shall file the procedures with the Board. The  
10 procedures shall include the following:

11 (1) The forms of identification accepted, which shall  
12 include:

13 (A) a driver's license or State photo  
14 identification card issued in the United States;

15 (B) a passport;

16 (C) a U.S. issued military I.D.;

17 (D) a photo identification card issued by a  
18 government entity located within the United States or a  
19 U.S. territory or possession; and

20 (E) a U.S. issued alien identification card.

21 (2) A description of how information obtained from the  
22 identification card will be compared to the Board's  
23 Statewide Voluntary Self-Exclusion List, including a  
24 description of procedures to ensure the confidentiality of  
25 the information. Information obtained from identification

1       cards may be maintained for statistical or regulatory  
2       purposes, but not for marketing, promotional, or any other  
3       purpose.

4       The Board may not enforce, impose, or adopt administrative  
5       rules for identification requirements or procedures other than  
6       those contained in this Section.

7           (230 ILCS 10/13) (from Ch. 120, par. 2413)

8           Sec. 13. Wagering tax; rate; distribution.

9           (a) Until January 1, 1998, a tax is imposed on the adjusted  
10       gross receipts received from gambling games authorized under  
11       this Act at the rate of 20%.

12          (a-1) From January 1, 1998 until July 1, 2002, a privilege  
13       tax is imposed on persons engaged in the business of conducting  
14       riverboat gambling operations, based on the adjusted gross  
15       receipts received by a licensed owner from gambling games  
16       authorized under this Act at the following rates:

17               15% of annual adjusted gross receipts up to and  
18               including \$25,000,000;

19               20% of annual adjusted gross receipts in excess of  
20               \$25,000,000 but not exceeding \$50,000,000;

21               25% of annual adjusted gross receipts in excess of  
22               \$50,000,000 but not exceeding \$75,000,000;

23               30% of annual adjusted gross receipts in excess of  
24               \$75,000,000 but not exceeding \$100,000,000;

25               35% of annual adjusted gross receipts in excess of

1           \$100,000,000.

2           (a-2) From July 1, 2002 until July 1, 2003, a privilege tax  
3 is imposed on persons engaged in the business of conducting  
4 riverboat gambling operations, other than licensed managers  
5 conducting riverboat gambling operations on behalf of the  
6 State, based on the adjusted gross receipts received by a  
7 licensed owner from gambling games authorized under this Act at  
8 the following rates:

9           15% of annual adjusted gross receipts up to and  
10 including \$25,000,000;

11           22.5% of annual adjusted gross receipts in excess of  
12 \$25,000,000 but not exceeding \$50,000,000;

13           27.5% of annual adjusted gross receipts in excess of  
14 \$50,000,000 but not exceeding \$75,000,000;

15           32.5% of annual adjusted gross receipts in excess of  
16 \$75,000,000 but not exceeding \$100,000,000;

17           37.5% of annual adjusted gross receipts in excess of  
18 \$100,000,000 but not exceeding \$150,000,000;

19           45% of annual adjusted gross receipts in excess of  
20 \$150,000,000 but not exceeding \$200,000,000;

21           50% of annual adjusted gross receipts in excess of  
22 \$200,000,000.

23           (a-3) Beginning July 1, 2003, a privilege tax is imposed on  
24 persons engaged in the business of conducting riverboat  
25 gambling operations, other than licensed managers conducting  
26 riverboat gambling operations on behalf of the State, based on

1 the adjusted gross receipts received by a licensed owner from  
2 gambling games authorized under this Act at the following  
3 rates:

4 15% of annual adjusted gross receipts up to and  
5 including \$25,000,000;

6 27.5% of annual adjusted gross receipts in excess of  
7 \$25,000,000 but not exceeding \$37,500,000;

8 32.5% of annual adjusted gross receipts in excess of  
9 \$37,500,000 but not exceeding \$50,000,000;

10 37.5% of annual adjusted gross receipts in excess of  
11 \$50,000,000 but not exceeding \$75,000,000;

12 45% of annual adjusted gross receipts in excess of  
13 \$75,000,000 but not exceeding \$100,000,000;

14 50% of annual adjusted gross receipts in excess of  
15 \$100,000,000 but not exceeding \$250,000,000;

16 70% of annual adjusted gross receipts in excess of  
17 \$250,000,000.

18 An amount equal to the amount of wagering taxes collected  
19 under this subsection (a-3) that are in addition to the amount  
20 of wagering taxes that would have been collected if the  
21 wagering tax rates under subsection (a-2) were in effect shall  
22 be paid into the Common School Fund.

23 The privilege tax imposed under this subsection (a-3) shall  
24 no longer be imposed beginning on the earlier of (i) July 1,  
25 2005; (ii) the first date after June 20, 2003 that riverboat  
26 gambling operations are conducted pursuant to a dormant

1 license; or (iii) the first day that riverboat gambling  
2 operations are conducted under the authority of an owners  
3 license that is in addition to the 10 owners licenses initially  
4 authorized under this Act. For the purposes of this subsection  
5 (a-3), the term "dormant license" means an owners license that  
6 is authorized by this Act under which no riverboat gambling  
7 operations are being conducted on June 20, 2003.

8 (a-4) Beginning on the first day on which the tax imposed  
9 under subsection (a-3) is no longer imposed, a privilege tax is  
10 imposed on persons engaged in the business of conducting  
11 riverboat gambling operations, other than licensed managers  
12 conducting riverboat gambling operations on behalf of the  
13 State, based on the adjusted gross receipts received by a  
14 licensed owner from gambling games and electronic poker  
15 authorized under this Act at the following rates:

16 15% of annual adjusted gross receipts up to and  
17 including \$25,000,000;

18 22.5% of annual adjusted gross receipts in excess of  
19 \$25,000,000 but not exceeding \$50,000,000;

20 27.5% of annual adjusted gross receipts in excess of  
21 \$50,000,000 but not exceeding \$75,000,000;

22 32.5% of annual adjusted gross receipts in excess of  
23 \$75,000,000 but not exceeding \$100,000,000;

24 37.5% of annual adjusted gross receipts in excess of  
25 \$100,000,000 but not exceeding \$150,000,000;

26 45% of annual adjusted gross receipts in excess of

1           \$150,000,000 but not exceeding \$200,000,000;

2           50% of annual adjusted gross receipts in excess of  
3           \$200,000,000.

4           (a-5) Beginning on the effective date of this amendatory  
5 Act of the 95th General Assembly, a privilege tax is imposed on  
6 casino gambling operations at the same rates specified in this  
7 subsection (a-4) for the privilege tax on riverboat gambling  
8 operations.

9           (a-6) Beginning on the effective date of this amendatory  
10 Act of the 95th General Assembly, a privilege tax is imposed on  
11 persons conducting electronic gaming based on the net adjusted  
12 gross receipts received by an electronic gaming licensee from  
13 electronic gaming and electronic poker at the following rates:

14           15% of annual net adjusted gross receipts up to and  
15 including \$25,000,000;

16           22.5% of annual net adjusted gross receipts in excess  
17 of \$25,000,000 but not exceeding \$50,000,000;

18           27.5% of annual net adjusted gross receipts in excess  
19 of \$50,000,000 but not exceeding \$75,000,000;

20           32.5% of annual net adjusted gross receipts in excess  
21 of \$75,000,000 but not exceeding \$100,000,000;

22           37.5% of annual net adjusted gross receipts in excess  
23 of \$100,000,000 but not exceeding \$150,000,000;

24           45% of annual net adjusted gross receipts in excess of  
25 \$150,000,000 but not exceeding \$200,000,000;

26           50% of annual net adjusted gross receipts in excess of

1           \$200,000,000.

2           As used in this Section, "net adjusted gross receipts"  
3 means total adjusted gross receipts minus purse account  
4 distributions made pursuant to subsection (a-5) of Section 56  
5 of the Illinois Horse Racing Act of 1975.

6           (a-8) Riverboat gambling operations conducted by a  
7 licensed manager on behalf of the State are not subject to the  
8 tax imposed under this Section.

9           (a-10) The taxes imposed by this Section shall be paid by  
10 the gaming licensee ~~licensed owner~~ to the Board not later than  
11 3:00 o'clock p.m. of the day after the day when the wagers were  
12 made.

13           (a-15) If the privilege tax imposed under subsection (a-3)  
14 is no longer imposed pursuant to item (i) of the last paragraph  
15 of subsection (a-3), then by June 15 of each year, each owners  
16 licensee, other than an owners licensee that admitted 1,000,000  
17 persons or fewer in calendar year 2004, must, in addition to  
18 the payment of all amounts otherwise due under this Section,  
19 pay to the Board a reconciliation payment in the amount, if  
20 any, by which the licensed owner's base amount exceeds the  
21 amount of net privilege tax paid by the licensed owner to the  
22 Board in the then current State fiscal year. A licensed owner's  
23 net privilege tax obligation due for the balance of the State  
24 fiscal year shall be reduced up to the total of the amount paid  
25 by the licensed owner in its June 15 reconciliation payment.  
26 The obligation imposed by this subsection (a-15) is binding on

1 any person, firm, corporation, or other entity that acquires an  
2 ownership interest in any such owners license. The obligation  
3 imposed under this subsection (a-15) terminates on the earliest  
4 of: (i) July 1, 2007, (ii) the first day after the effective  
5 date of this amendatory Act of the 94th General Assembly that  
6 riverboat gambling operations are conducted pursuant to a  
7 dormant license, (iii) the first day that riverboat gambling  
8 operations are conducted under the authority of an owners  
9 license that is in addition to the 10 owners licenses initially  
10 authorized under this Act, or (iv) the first day that a  
11 licensee under the Illinois Horse Racing Act of 1975 conducts  
12 gaming operations with slot machines or other electronic gaming  
13 devices. The Board must reduce the obligation imposed under  
14 this subsection (a-15) by an amount the Board deems reasonable  
15 for any of the following reasons: (A) an act or acts of God,  
16 (B) an act of bioterrorism or terrorism or a bioterrorism or  
17 terrorism threat that was investigated by a law enforcement  
18 agency, or (C) a condition beyond the control of the owners  
19 licensee that does not result from any act or omission by the  
20 owners licensee or any of its agents and that poses a hazardous  
21 threat to the health and safety of patrons. If an owners  
22 licensee pays an amount in excess of its liability under this  
23 Section, the Board shall apply the overpayment to future  
24 payments required under this Section.

25 For purposes of this subsection (a-15):

26 "Act of God" means an incident caused by the operation of

1 an extraordinary force that cannot be foreseen, that cannot be  
2 avoided by the exercise of due care, and for which no person  
3 can be held liable.

4 "Base amount" means the following:

5 For a riverboat in Alton, \$31,000,000.

6 For a riverboat in East Peoria, \$43,000,000.

7 For the Empress riverboat in Joliet, \$86,000,000.

8 For a riverboat in Metropolis, \$45,000,000.

9 For the Harrah's riverboat in Joliet, \$114,000,000.

10 For a riverboat in Aurora, \$86,000,000.

11 For a riverboat in East St. Louis, \$48,500,000.

12 For a riverboat in Elgin, \$198,000,000.

13 "Dormant license" has the meaning ascribed to it in  
14 subsection (a-3).

15 "Net privilege tax" means all privilege taxes paid by a  
16 licensed owner to the Board under this Section, less all  
17 payments made from the State Gaming Fund pursuant to subsection  
18 (b) of this Section.

19 The changes made to this subsection (a-15) by Public Act  
20 94-839 are intended to restate and clarify the intent of Public  
21 Act 94-673 with respect to the amount of the payments required  
22 to be made under this subsection by an owners licensee to the  
23 Board.

24 (b) Until January 1, 1998, 25% of the tax revenue deposited  
25 in the State Gaming Fund under this Section shall be paid,  
26 subject to appropriation by the General Assembly, to the unit

1 of local government which is designated as the home dock of the  
2 riverboat. Except as otherwise provided in this subsection (b),  
3 beginning ~~Beginning~~ January 1, 1998, from the tax revenue  
4 deposited in the State Gaming Fund under this Section, an  
5 amount equal to 5% of adjusted gross receipts generated by a  
6 riverboat shall be paid monthly, subject to appropriation by  
7 the General Assembly, to the unit of local government that is  
8 designated as the home dock of the riverboat.

9 For calendar year 2008 and each year thereafter, (i) the  
10 unit of local government that is designated as the home dock of  
11 a riverboat conducting gambling operations on the effective  
12 date of this amendatory Act of the 95th General Assembly shall  
13 not receive more money pursuant to this subsection (b) than it  
14 received in the calendar year 2007.

15 If the Board certifies that the amounts paid under this  
16 subsection (b) to a unit of local government in which a  
17 riverboat in operation in calendar year 2007 is located during  
18 the first and second calendar year that electronic gaming is  
19 conducted are less than those paid under this subsection during  
20 the base year, then the Board shall pay from the State Gaming  
21 Fund to the unit of local government that is designated as the  
22 home dock of the riverboat an amount equal to 100% of the  
23 difference. If the Board certifies that the amounts paid under  
24 this subsection (b) to a unit of local government in which a  
25 riverboat in operation in calendar year 2007 is located during  
26 the third and fourth calendar year that electronic gaming is

1 conducted are less than those paid under this subsection during  
2 the base year, then the Board shall pay from the State Gaming  
3 Fund to the unit of local government that is designated as the  
4 home dock of the riverboat an amount equal to 75% of the  
5 difference. If the Board certifies that the amounts paid under  
6 this subsection (b) to a unit of local government in which a  
7 riverboat in operation in calendar year 2007 is located during  
8 the fifth calendar year that electronic gaming is conducted are  
9 less than those paid under this subsection during the base  
10 year, then the Board shall pay from the State Gaming Fund to  
11 the unit of local government that is designated as the home  
12 dock of the riverboat an amount equal to 50% of the difference.  
13 No payments for losses associated with electronic gaming shall  
14 be made after the fifth year that electronic gaming is  
15 conducted.

16 For the purpose of this subsection (b), "base year" means  
17 the calendar year before electronic gaming is conducted in the  
18 State of Illinois.

19 Beginning on the effective date of this amendatory Act of  
20 the 95th General Assembly, from the tax revenue deposited in  
21 the State Gaming Fund under this Section, an amount equal to 2%  
22 of the new adjusted gross receipts generated by a riverboat not  
23 located in St. Clair County that is conducting gambling  
24 operations on the effective date of this amendatory Act of the  
25 95th General Assembly shall be paid monthly, subject to  
26 appropriation by the General Assembly, to the county in which

1 the home dock of the riverboat is located for the purposes of  
2 its criminal justice system or health care.

3 Beginning on the effective date of this amendatory Act of  
4 the 95th General Assembly, from the tax revenue deposited into  
5 the State Gaming Fund under this Section, (i) an amount equal  
6 to 0.75% of new adjusted gross receipts generated by a  
7 riverboat located in St. Clair County conducting gambling  
8 operations on the effective date of this amendatory Act of the  
9 95th General Assembly shall be paid monthly, subject to  
10 appropriation by the General Assembly, to St. Clair County for  
11 the purposes of its criminal justice system or health care and  
12 (ii) an amount equal to 1.25% of new adjusted gross receipts  
13 generated by a riverboat located in St. Clair County conducting  
14 gambling operations on the effective date of this amendatory  
15 Act of the 95th General Assembly shall be divided equally and  
16 paid monthly, subject to appropriation by the General Assembly,  
17 to the Village of Alorton, the Village of Brooklyn, the Village  
18 of Cahokia, the City of Centreville, and the Village of  
19 Washington Park for the purposes of economic development.

20 As used in this subsection (b), "new adjusted gross  
21 receipts" means the difference between the adjusted gross  
22 receipts generated by a riverboat conducting gambling  
23 operations on the effective date of this amendatory Act of the  
24 95th General Assembly in the payment month and the adjusted  
25 gross receipts generated by that riverboat in the corresponding  
26 month in 2007.

1       As used in this subsection (b), "base year" means the  
2 calendar year before electronic gaming is conducted in the  
3 State of Illinois.

4       Beginning on the effective date of this amendatory Act of  
5 the 95th General Assembly, from the tax revenue deposited in  
6 the State Gaming Fund under this Section, an amount equal to  
7 (i) 2% of adjusted gross receipts (net adjusted gross receipts  
8 for electronic gaming facilities) generated by a riverboat not  
9 in operation on the effective date of this amendatory Act of  
10 the 95th General Assembly or electronic gaming facility located  
11 outside Madison County shall be paid monthly, subject to  
12 appropriation by the General Assembly, to the unit of local  
13 government that is designated as the home dock of the riverboat  
14 or the municipality in which an electronic gaming facility is  
15 located, (ii) 3% of adjusted gross receipts (net adjusted gross  
16 receipts for tracks) generated by a riverboat not in operation  
17 on the effective date of this amendatory Act of the 95th  
18 General Assembly or electronic gaming facility located outside  
19 Madison County shall be paid monthly, subject to appropriation  
20 by the General Assembly, to the county in which the home dock  
21 of the riverboat or electronic gaming facility is located for  
22 the purposes of its criminal justice system or health care  
23 system, and (iii) 1.5% of adjusted gross receipts generated by  
24 the casino shall be paid monthly to Cook County for the  
25 purposes of its criminal justice system or health care system.  
26 In the case of an electronic gaming facility that is not

1 located in a municipality on the effective date of this  
2 amendatory Act of the 95th General Assembly, the amounts  
3 distributed under this subsection (b) shall be distributed  
4 wholly to the county.

5 Beginning on the effective date of this amendatory Act of  
6 the 95th General Assembly, from the tax revenue deposited in  
7 the State Gaming Fund under this section, an amount equal to  
8 (i) 2% of net adjusted gross receipts generated by an  
9 electronic gaming facility located in Madison County shall be  
10 paid monthly, subject to appropriation by the General Assembly,  
11 to the unit of local government in which the electronic gaming  
12 facility is located, (ii) 1.5% of net adjusted gross receipts  
13 generated by an electronic gaming facility located in Madison  
14 County shall be paid monthly, subject to appropriation by the  
15 General Assembly, to Madison County for the purposes of its  
16 criminal justice or health care systems, and (iii) 1.5% of net  
17 adjusted gross receipts generated by an electronic gaming  
18 facility located in Madison County shall be paid monthly,  
19 subject to appropriation by the General Assembly, to St. Clair  
20 County for the purposes of its criminal justice or health care  
21 systems.

22 From the tax revenue deposited in the State Gaming Fund  
23 pursuant to riverboat gambling operations conducted by a  
24 licensed manager on behalf of the State, an amount equal to 5%  
25 of adjusted gross receipts generated pursuant to those  
26 riverboat gambling operations shall be paid monthly, subject to

1 appropriation by the General Assembly, to the unit of local  
2 government that is designated as the home dock of the riverboat  
3 upon which those riverboat gambling operations are conducted.

4 (b-5) An amount equal to 1% of the adjusted gross receipts  
5 from an owners licensee issued on or after the effective date  
6 of this amendatory Act of the 95th General Assembly authorizing  
7 riverboat gambling in Cook County shall be paid monthly,  
8 subject to appropriation by the General Assembly, to the  
9 Depressed Communities Economic Development Fund, which is  
10 created as a special fund in the State treasury. The Department  
11 of Commerce and Economic Opportunity shall administer the Fund  
12 and use moneys in the Fund to make grants for revitalization of  
13 communities in accordance with Section 605-530 of The  
14 Department of Economic Opportunity Law of the Civil  
15 Administration Code of Illinois.

16 (c) (Blank). ~~Appropriations, as approved by the General~~  
17 ~~Assembly, may be made from the State Gaming Fund to the~~  
18 ~~Department of Revenue and the Department of State Police for~~  
19 ~~the administration and enforcement of this Act, or to the~~  
20 ~~Department of Human Services for the administration of programs~~  
21 ~~to treat problem gambling.~~

22 (c-5) (Blank). ~~Before May 26, 2006 (the effective date of~~  
23 ~~Public Act 94-804) and beginning 2 years after May 26, 2006~~  
24 ~~(the effective date of Public Act 94-804), after the payments~~  
25 ~~required under subsections (b) and (c) have been made, an~~  
26 ~~amount equal to 15% of the adjusted gross receipts of (1) an~~

1 ~~owners licensee that relocates pursuant to Section 11.2, (2) an~~  
2 ~~owners licensee conducting riverboat gambling operations~~  
3 ~~pursuant to an owners license that is initially issued after~~  
4 ~~June 25, 1999, or (3) the first riverboat gambling operations~~  
5 ~~conducted by a licensed manager on behalf of the State under~~  
6 ~~Section 7.3, whichever comes first, shall be paid from the~~  
7 ~~State Gaming Fund into the Horse Racing Equity Fund.~~

8 (c-10) (Blank). ~~Each year the General Assembly shall~~  
9 ~~appropriate from the General Revenue Fund to the Education~~  
10 ~~Assistance Fund an amount equal to the amount paid into the~~  
11 ~~Horse Racing Equity Fund pursuant to subsection (c-5) in the~~  
12 ~~prior calendar year.~~

13 (c-15) (Blank). ~~After the payments required under~~  
14 ~~subsections (b), (c), and (c-5) have been made, an amount equal~~  
15 ~~to 2% of the adjusted gross receipts of (1) an owners licensee~~  
16 ~~that relocates pursuant to Section 11.2, (2) an owners licensee~~  
17 ~~conducting riverboat gambling operations pursuant to an owners~~  
18 ~~license that is initially issued after June 25, 1999, or (3)~~  
19 ~~the first riverboat gambling operations conducted by a licensed~~  
20 ~~manager on behalf of the State under Section 7.3, whichever~~  
21 ~~comes first, shall be paid, subject to appropriation from the~~  
22 ~~General Assembly, from the State Gaming Fund to each home rule~~  
23 ~~county with a population of over 3,000,000 inhabitants for the~~  
24 ~~purpose of enhancing the county's criminal justice system.~~

25 (c-20) (Blank). ~~Each year the General Assembly shall~~  
26 ~~appropriate from the General Revenue Fund to the Education~~

1 ~~Assistance Fund an amount equal to the amount paid to each home~~  
2 ~~rule county with a population of over 3,000,000 inhabitants~~  
3 ~~pursuant to subsection (c-15) in the prior calendar year.~~

4 (c-25) (Blank). ~~After the payments required under~~  
5 ~~subsections (b), (c), (c-5) and (c-15) have been made, an~~  
6 ~~amount equal to 2% of the adjusted gross receipts of (1) an~~  
7 ~~owners licensee that relocates pursuant to Section 11.2, (2) an~~  
8 ~~owners licensee conducting riverboat gambling operations~~  
9 ~~pursuant to an owners license that is initially issued after~~  
10 ~~June 25, 1999, or (3) the first riverboat gambling operations~~  
11 ~~conducted by a licensed manager on behalf of the State under~~  
12 ~~Section 7.3, whichever comes first, shall be paid from the~~  
13 ~~State Gaming Fund to Chicago State University.~~

14 (d) From time to time, the Board shall transfer all  
15 remaining revenue generated by riverboat gambling under this  
16 Act as follows: (i) from revenue generated by riverboats in  
17 operation on the effective date of this amendatory Act of the  
18 95th General Assembly, an amount equal to the amount  
19 transferred from the State Gaming Fund into the Education  
20 Assistance Fund in fiscal year 2007, plus all revenue generated  
21 by the dormant license, shall be transferred ~~the remainder of~~  
22 ~~the funds generated by this Act~~ into the Education Assistance  
23 Fund, created by Public Act 86-0018, of the State of Illinois  
24 and (ii) the remainder of the funds generated by riverboat  
25 gambling under this Act shall be transferred into the Illinois  
26 Works Debt Service Fund. For the purposes of this subsection

1 (d), "dormant license" means an owners license that was  
2 authorized by this Act on June 20, 2003, but under which no  
3 riverboat gambling operations were being conducted on that  
4 date.

5 (e) From time to time, the Board shall transfer all  
6 remaining revenue generated under this Act from casino gambling  
7 operations and electronic gaming into the Illinois Works Debt  
8 Service Fund.

9 (f) ~~(e)~~ Nothing in this Act shall prohibit the unit of  
10 local government designated as the home dock of the riverboat  
11 or the municipality in which a casino is located from entering  
12 into agreements with other units of local government in this  
13 State or in other states to share its portion of the tax  
14 revenue.

15 (g) ~~(f)~~ To the extent practicable, the Board shall  
16 administer and collect the wagering taxes imposed by this  
17 Section in a manner consistent with the provisions of Sections  
18 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9,  
19 and 10 of the Retailers' Occupation Tax Act and Section 3-7 of  
20 the Uniform Penalty and Interest Act.

21 (Source: P.A. 94-673, eff. 8-23-05; 94-804, eff. 5-26-06;  
22 94-839, eff. 6-6-06; 95-331, eff. 8-21-07.)

23 (230 ILCS 10/13.2 new)

24 Sec. 13.2. Responsible Play Information Centers.

25 (a) Each gaming licensee must provide on-site Responsible

1 Play Information Centers (RPICs) in each licensed facility for  
2 the purposes of (1) increasing patron knowledge and  
3 understanding of how games of chance work; (2) providing  
4 on-site information and referral services to customers or other  
5 persons seeking information on responsible gambling  
6 strategies, problem gambling programs, and voluntary  
7 self-exclusion; (3) informing patrons of the risks of problem  
8 gambling and their limitations and teaching them how to play  
9 within their means; (4) improving the effectiveness and  
10 efficiency of assistance to individuals experiencing problems  
11 with gambling; and (5) improving gambling delivery by  
12 increasing the promotion and delivery of responsible gambling  
13 practices.

14 (b) RPICs must be staffed at a minimum for 15 hours per  
15 day, as determined by the Board on a facility-by-facility  
16 basis, and must contain a self-service, computer-based  
17 gambling tutorial, continuously looped informational videos,  
18 and brochures for use when staff is unavailable. RPICs must be  
19 designed as a dedicated space that is easily accessible from  
20 the gaming floor, brilliantly lighted, comfortably furnished,  
21 and patron friendly.

22 (c) Staff at RPICs must be trained in prevention education  
23 and counseling and must be fully integrated within the gaming  
24 environment, working closely with gaming staff and managers to  
25 educate players and assist with staff training. The RPIC staff  
26 responsibilities shall include all of the following:

1           (1) To provide customer service-based player  
2           information about the principles of gambling, including  
3           randomness, house advantage, odds, and payouts.

4           (2) To provide information, support, and referrals, as  
5           appropriate, to patrons who may be experiencing problems.

6           (3) To provide assistance with the voluntary  
7           self-exclusion program.

8           (4) To consult with gaming staff, as appropriate, to  
9           resolve situations where patrons may be in distress.

10           (5) To demonstrate a gaming-neutral approach to  
11           issues.

12           (6) To keep log sheets on-site to record customer  
13           interactions and information provided.

14           (d) All materials viewed in or distributed by a RPIC must  
15           be approved by the Board.

16           (230 ILCS 10/14)   (from Ch. 120, par. 2414)

17           Sec. 14. Licensees - Records - Reports - Supervision.

18           (a) Gaming licensees ~~A Licensed owner~~ shall keep their ~~his~~  
19           books and records so as to clearly show the following:

20           (1) The amount received daily from admission fees.

21           (2) The total amount of gross receipts.

22           (3) The total amount of the adjusted gross receipts.

23           (b) The gaming licensee ~~Licensed owner~~ shall furnish to the  
24           Board reports and information as the Board may require with  
25           respect to its activities on forms designed and supplied for

1 such purpose by the Board.

2 (c) The books and records kept by a gaming licensee  
3 ~~licensed owner~~ as provided by this Section are public records  
4 and the examination, publication, and dissemination of the  
5 books and records are governed by the provisions of the ~~The~~  
6 Freedom of Information Act.

7 (Source: P.A. 86-1029.)

8 (230 ILCS 10/14.5 new)

9 Sec. 14.5. Collection of delinquent amounts. At any time  
10 within 5 years after any amount of fees, interest, penalties,  
11 or tax required to be collected pursuant to the provisions of  
12 this Act shall become due and payable, the Office of Gaming  
13 Enforcement may bring a civil action in the courts of this  
14 State or any other state or of the United States, in the name  
15 of the State of Illinois, to collect the amount delinquent,  
16 together with penalties and interest. An action may be brought  
17 whether or not the person owing the amount is at such time an  
18 applicant or licensee under this Act. In all actions in this  
19 State, the records of the Board and the Office shall be prima  
20 facie evidence of the determination of the fee or tax or the  
21 amount of the delinquency.

22 (230 ILCS 10/17) (from Ch. 120, par. 2417)

23 Sec. 17. Administrative Procedures. The Illinois  
24 Administrative Procedure Act shall apply to all administrative

1 rules and procedures of the Board and the Office of Gaming  
2 Enforcement under this Act, except that: (1) subsection (b) of  
3 Section 5-10 of the Illinois Administrative Procedure Act does  
4 not apply to final orders, decisions and opinions of the Board;  
5 (2) subsection (a) of Section 5-10 of the Illinois  
6 Administrative Procedure Act does not apply to forms  
7 established by the Board for use under this Act; (3) the  
8 provisions of Section 10-45 of the Illinois Administrative  
9 Procedure Act regarding proposals for decision are excluded  
10 under this Act; and (4) the provisions of subsection (d) of  
11 Section 10-65 of the Illinois Administrative Procedure Act do  
12 not apply so as to prevent summary suspension of any license  
13 pending revocation or other action, which suspension shall  
14 remain in effect unless modified by the Board or unless the  
15 Board's decision is reversed on the merits upon judicial  
16 review.

17 (Source: P.A. 88-45; 89-626, eff. 8-9-96.)

18 (230 ILCS 10/17.2 new)

19 Sec. 17.2. Administrative proceedings; burden of proof. In  
20 proceedings before the Board, the burden of proof is at all  
21 times on the petitioner. The petitioner shall have the  
22 affirmative responsibility of establishing by clear and  
23 convincing evidence that the petitioner is suitable for  
24 licensing or a transfer of ownership.

1 (230 ILCS 10/18) (from Ch. 120, par. 2418)

2 Sec. 18. Prohibited Activities - Penalty.

3 (a) A person is guilty of a Class A misdemeanor for doing  
4 any of the following:

5 (1) Conducting gambling where wagering is used or to be  
6 used without a license issued by the Board.

7 (2) Conducting gambling where wagering is permitted  
8 other than in the manner specified by Section 11.

9 (b) A person is guilty of a Class B misdemeanor for doing  
10 any of the following:

11 (1) permitting a person under 21 years to make a wager;

12 or

13 (2) violating paragraph (12) of subsection (a) of  
14 Section 11 of this Act.

15 (c) A person wagering or accepting a wager at any location  
16 outside the licensed facility in violation of paragraph  
17 ~~riverboat is subject to the penalties in paragraphs~~ (1) or (2)  
18 of subsection (a) of Section 28-1 of the Criminal Code of 1961  
19 is subject to the penalties provided in that Section.

20 (d) A person commits a Class 4 felony and, in addition,  
21 shall be barred for life from gambling operations ~~riverboats~~  
22 under the jurisdiction of the Board, if the person does any of  
23 the following:

24 (1) Offers, promises, or gives anything of value or  
25 benefit to a person who is connected with a gaming licensee  
26 ~~riverboat owner~~ including, but not limited to, an officer

1 or employee of a gaming licensee ~~licensed owner~~ or holder  
2 of an occupational license pursuant to an agreement or  
3 arrangement or with the intent that the promise or thing of  
4 value or benefit will influence the actions of the person  
5 to whom the offer, promise, or gift was made in order to  
6 affect or attempt to affect the outcome of a gambling game,  
7 or to influence official action of a member of the Board.

8 (2) Solicits or knowingly accepts or receives a promise  
9 of anything of value or benefit while the person is  
10 connected with a gaming licensee ~~riverboat~~ including, but  
11 not limited to, an officer or employee of a gaming licensee  
12 ~~licensed owner~~, or the holder of an occupational license,  
13 pursuant to an understanding or arrangement or with the  
14 intent that the promise or thing of value or benefit will  
15 influence the actions of the person to affect or attempt to  
16 affect the outcome of a gambling game or electronic poker,  
17 or to influence official action of a member of the Board.

18 (3) Uses or possesses with the intent to use a device  
19 to assist:

20 (i) In projecting the outcome of the game.

21 (ii) In keeping track of the cards played.

22 (iii) In analyzing the probability of the  
23 occurrence of an event relating to the gambling game or  
24 electronic poker.

25 (iv) In analyzing the strategy for playing or  
26 betting to be used in the game except as permitted by

1 the Board.

2 (4) Cheats at a gambling game or electronic poker.

3 (5) Manufactures, sells, or distributes any cards,  
4 chips, dice, game or device which is intended to be used to  
5 violate any provision of this Act.

6 (6) Alters or misrepresents the outcome of a gambling  
7 game or electronic poker on which wagers have been made  
8 after the outcome is made sure but before it is revealed to  
9 the players.

10 (7) Places a bet after acquiring knowledge, not  
11 available to all players, of the outcome of the gambling  
12 game or electronic poker which is subject of the bet or to  
13 aid a person in acquiring the knowledge for the purpose of  
14 placing a bet contingent on that outcome.

15 (8) Claims, collects, or takes, or attempts to claim,  
16 collect, or take, money or anything of value in or from the  
17 gambling games or electronic poker, with intent to defraud,  
18 without having made a wager contingent on winning a  
19 gambling game or electronic poker, or claims, collects, or  
20 takes an amount of money or thing of value of greater value  
21 than the amount won.

22 (9) Uses counterfeit chips or tokens in a gambling game  
23 or electronic poker.

24 (10) Possesses any key or device designed for the  
25 purpose of opening, entering, or affecting the operation of  
26 a gambling game or electronic poker, drop box, or an

1 electronic or mechanical device connected with the  
2 gambling game or for removing coins, tokens, chips or other  
3 contents of a gambling game or electronic poker. This  
4 paragraph (10) does not apply to a gambling licensee or  
5 employee of a gambling licensee acting in furtherance of  
6 the employee's employment.

7 (e) The possession of more than one of the devices  
8 described in subsection (d), paragraphs (3), (5) or (10)  
9 permits a rebuttable presumption that the possessor intended to  
10 use the devices for cheating.

11 An action to prosecute any crime occurring on a riverboat  
12 shall be tried in the county of the dock at which the riverboat  
13 is based. An action to prosecute any crime occurring in a  
14 casino or electronic gaming facility shall be tried in the  
15 county in which the casino or electronic gaming facility is  
16 located.

17 (Source: P.A. 91-40, eff. 6-25-99.)

18 (230 ILCS 10/19) (from Ch. 120, par. 2419)

19 Sec. 19. Forfeiture of property.

20 (a) Except as provided in subsection (b), any licensed  
21 facility ~~riverboat~~ used for the conduct of gambling ~~games~~ in  
22 violation of this Act shall be considered a gambling place in  
23 violation of Section 28-3 of the Criminal Code of 1961, as now  
24 or hereafter amended. Every gambling device found at a licensed  
25 facility ~~on a riverboat~~ operating gambling ~~games~~ in violation

1 of this Act shall be subject to seizure, confiscation and  
2 destruction as provided in Section 28-5 of the Criminal Code of  
3 1961, as now or hereafter amended.

4 (b) It is not a violation of this Act for a riverboat or  
5 other watercraft which is licensed for gaming by a contiguous  
6 state to dock on the shores of this State if the municipality  
7 having jurisdiction of the shores, or the county in the case of  
8 unincorporated areas, has granted permission for docking and no  
9 gaming is conducted on the riverboat or other watercraft while  
10 it is docked on the shores of this State. No gambling device  
11 shall be subject to seizure, confiscation or destruction if the  
12 gambling device is located on a riverboat or other watercraft  
13 which is licensed for gaming by a contiguous state and which is  
14 docked on the shores of this State if the municipality having  
15 jurisdiction of the shores, or the county in the case of  
16 unincorporated areas, has granted permission for docking and no  
17 gaming is conducted on the riverboat or other watercraft while  
18 it is docked on the shores of this State.

19 (Source: P.A. 86-1029.)

20 (230 ILCS 10/20) (from Ch. 120, par. 2420)

21 Sec. 20. Prohibited activities - civil penalties. Any  
22 person who conducts a gambling operation without first  
23 obtaining a license to do so, or who continues to conduct such  
24 games after revocation of his license, or any licensee who  
25 conducts or allows to be conducted any unauthorized gambling at

1 a licensed facility ~~games on a riverboat~~ where it is authorized  
2 to conduct its ~~riverboat~~ gambling operation, in addition to  
3 other penalties provided, shall be subject to a civil penalty  
4 equal to the amount of gross receipts derived from wagering on  
5 the gambling activity ~~games~~, whether unauthorized or  
6 authorized, conducted on that day as well as confiscation and  
7 forfeiture of all gambling ~~game~~ equipment used in the conduct  
8 of unauthorized gambling ~~games~~.

9 (Source: P.A. 86-1029.)

10 (230 ILCS 10/22.5 new)

11 Sec. 22.5. Illinois Works Fund.

12 (a) There is created the Illinois Works Fund, a special  
13 fund in the State Treasury. The Board shall deposit the  
14 following into the Illinois Works Fund:

15 (1) The initial fee and reconciliation payment from the  
16 positions under subsections (h-2) and (h-5) of Section 7.

17 (2) The initial fee and reconciliation payment from  
18 electronic gaming positions.

19 (3) Amounts received pursuant to competitive bidding  
20 under Section 7.5 excluding the dormant license as defined  
21 in subsection (a-3) of Section 13.

22 (4) The casino license fee excluding the dormant  
23 license as defined in subsection (a-3) of Section 13.

24 (5) Amounts received pursuant to subsection (e) of  
25 Section 1-45 of the Chicago Casino Development Authority

1       Act.

2       (b) Moneys in the Illinois Works Fund shall, subject to  
3 appropriation, be used for the making of grants and  
4 expenditures for the Illinois Works Capital Program.

5       (c) Thirty percent of the moneys deposited into the  
6 Illinois Works Fund shall be transferred into the Focusing on  
7 Children, Uplifting Schools (FOCUS) Fund.

8       (d) Designees of the President and the Minority Leader of  
9 the Senate, the Speaker and Minority Leader of the House, and  
10 the Director of the Governor's Office of Management and Budget  
11 shall meet periodically and frequently at the request of any  
12 one party named to review the status of each capital project  
13 appropriated under the Illinois Works program.

14       (e) On the last day of each quarterly period in each fiscal  
15 year, the Governor's Office of Management and Budget shall  
16 provide to the President and the Minority Leader of the Senate  
17 and the Speaker and the Minority Leader of the House of  
18 Representatives a report on the status of new capital projects  
19 first appropriated under the Illinois Works program. The report  
20 must be provided in electronic format and may be provided in  
21 written format upon request. The report must include all of the  
22 following:

23           (1) Projected revenues for the fiscal year and actual  
24 revenues year-to-date into the Illinois Works Fund that  
25 will support pay-as-you-go or debt service on Illinois  
26 Works capital projects.

1           (2) For each Illinois Works capital project  
2           appropriated in that fiscal year:

3           (A) a brief description or stated purpose;

4           (B) the estimated total State expenditures, the  
5           amount spent year-to-date, and the proposed schedule  
6           of expenditures;

7           (C) a projected timeline for completion of each  
8           state-managed project (excluding grants) and any  
9           delays that could lead to substantial variances from  
10           this timeline must be explained;

11           (D) indication of whether the project is supported  
12           from pay-as-you-go sources or is bond supported;

13           (E) if a project is supported by bond revenue, the  
14           bond authorization category; and

15           (F) the date the written release of the Governor  
16           was submitted to the Comptroller or is anticipated to  
17           be submitted; if a release for any project has not been  
18           submitted to the Comptroller within 6 months of the  
19           appropriation becoming law, an explanation of why the  
20           project has not yet been released, including whether  
21           bond authorization or projected revenues were  
22           insufficient to support the release of the project.

23           (f) The Governor shall make good faith efforts to release  
24           each appropriated Illinois Works project as quickly as is  
25           practicable, based on availability of revenues and sufficient  
26           bond authorization for the length and scope of the project.

1 (230 ILCS 10/22.6 new)

2 Sec. 22.6. Illinois Works Debt Service Fund.

3 (a) There is created the Illinois Works Debt Service Fund,  
4 a special fund in the State Treasury. The Board shall deposit  
5 all amounts received from Sections (d) and (e) of Section 13  
6 into the Illinois Works Debt Service Fund.

7 (b) Subject to the transfer provisions set forth in this  
8 subsection (b), money in the Illinois Works Debt Service Fund  
9 shall, if and when the State of Illinois incurs any bonded  
10 indebtedness under the Illinois Works capital program, as  
11 certified by the Director of the Governor's Office of  
12 Management and Budget to the State Comptroller and State  
13 Treasurer, be set aside and used for the purpose of paying and  
14 discharging annually the principal and interest on that bonded  
15 indebtedness then due and payable. In addition to other  
16 transfers to the General Obligation Bond Retirement and  
17 Interest Fund made pursuant to Section 15 of the General  
18 Obligation Bond Act, upon each delivery of bonds issued for the  
19 Illinois Works capital program, as certified by the Director of  
20 the Governor's Office of Management and Budget, the State  
21 Comptroller shall compute and certify to the State Treasurer  
22 the total amount of principal of, interest on, and premium, if  
23 any, on such bonds during the then current and each succeeding  
24 fiscal year. With respect to the interest payable on variable  
25 rate bonds, such certification shall be calculated at the

1 maximum rate of interest that may be payable during the fiscal  
2 year, after taking into account any credits permitted in the  
3 related indenture or other instrument against the amount of  
4 such interest required to be appropriated for that period. On  
5 or before the last day of each month, the State Treasurer and  
6 State Comptroller shall transfer from the Illinois Works Debt  
7 Service Fund into the General Obligation Bond Retirement and  
8 Interest Fund an amount sufficient to pay the aggregate of the  
9 principal of, interest on, and premium, if any, on the bonds  
10 payable on their next payment date, divided by the number of  
11 monthly transfer occurring between the last previous payment  
12 date (or the delivery date if no payment date has yet occurred)  
13 and the next succeeding payment date. Interest payable on  
14 variable rate bonds shall be calculated at the maximum rate of  
15 interest that may be payable for the relevant period, after  
16 taking into account any credits permitted in the related  
17 indenture or other instrument against the amount of such  
18 interest required to be appropriated for that period. Interest  
19 for which moneys have already been deposited into the  
20 capitalized interest account within the General Obligation  
21 Bond Retirement and Interest Fund shall not be included in the  
22 calculation of the amounts to be transferred under this  
23 subsection.

24 (c) Thirty percent of the moneys deposited into the  
25 Illinois Works Debt Service Fund pursuant to subsection (a) of  
26 this Section shall be transferred into the Focusing on

1 Children, Uplifting Schools (FOCUS) Fund.

2 (d) Designees of the President and the Minority Leader of  
3 the Senate, the Speaker and Minority Leader of the House, and  
4 the Director of the Governor's Office of Management and Budget  
5 shall meet periodically and frequently at the request of any  
6 one party named to review the status of each capital project  
7 appropriated under the Illinois Works program.

8 (e) On the last day of each quarterly period in each fiscal  
9 year, the Governor's Office of Management and Budget shall  
10 provide to the President and the Minority Leader of the Senate  
11 and the Speaker and the Minority Leader of the House of  
12 Representatives a report on the status of new capital projects  
13 first appropriated under the Illinois Works program. The report  
14 must be provided in electronic format and may be provided in  
15 written format upon request. The report must include all of the  
16 following:

17 (1) Projected revenues for the fiscal year and actual  
18 revenues year-to-date into the Illinois Works Debt Service  
19 Fund that will support pay-as-you-go or debt service on  
20 Illinois Works capital projects.

21 (2) For each Illinois Works capital project  
22 appropriated in that fiscal year:

23 (A) a brief description or stated purpose;

24 (B) the estimated total State expenditures, the  
25 amount spent year-to-date, and the proposed schedule  
26 of expenditures;

1           (C) a projected timeline for completion of each  
2           state-managed project (excluding grants) and any  
3           delays that could lead to substantial variances from  
4           this timeline must be explained;

5           (D) indication of whether the project is supported  
6           from pay-as-you-go sources or is bond supported;

7           (E) if a project is supported by bond revenue, the  
8           bond authorization category; and

9           (F) the date the written release of the Governor  
10          was submitted to the Comptroller or is anticipated to  
11          be submitted; if a release for any project has not been  
12          submitted to the Comptroller within 6 months of the  
13          appropriation becoming law, an explanation of why the  
14          project has not yet been released, including whether  
15          bond authorization or projected revenues were  
16          insufficient to support the release of the project.

17          (f) The Governor shall make good faith efforts to release  
18          each appropriated Illinois Works project as quickly as is  
19          practicable, based on availability of revenues and sufficient  
20          bond authorization for the length and scope of the project.

21          (g) On July 1, 2009 and each July 1 thereafter, or as soon  
22          thereafter as practical, the Director of the Office of  
23          Management and Budget shall certify to the State Comptroller  
24          and the State Treasurer the amount, if any, of the \$100,000,000  
25          paid into the Fund during the prior State fiscal year under the  
26          Retailers' Occupation Tax Act from tax on the sale of motor

1 fuel that exceeded the amount needed during that State fiscal  
2 year to meet debt service requirements on the outstanding bonds  
3 and notes issued in association with the Illinois Works Capital  
4 Program. Immediately upon receipt of the certification, the  
5 Comptroller shall order transferred and the Treasurer shall  
6 transfer the amount certified from the Illinois Works Debt  
7 Service Fund to the General Revenue Fund.

8 (230 ILCS 10/7.1 rep.)

9 Section 90-45. The Riverboat Gambling Act is amended by  
10 repealing Section 7.1.

11 Section 90-50. The Liquor Control Act of 1934 is amended by  
12 changing Sections 5-1 and 6-30 as follows:

13 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

14 (Text of Section before amendment by P.A. 95-634)

15 Sec. 5-1. Licenses issued by the Illinois Liquor Control  
16 Commission shall be of the following classes:

17 (a) Manufacturer's license - Class 1. Distiller, Class 2.  
18 Rectifier, Class 3. Brewer, Class 4. First Class Wine  
19 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.  
20 First Class Winemaker, Class 7. Second Class Winemaker, Class  
21 8. Limited Wine Manufacturer,

22 (b) Distributor's license,

23 (c) Importing Distributor's license,

- 1 (d) Retailer's license,
- 2 (e) Special Event Retailer's license (not-for-profit),
- 3 (f) Railroad license,
- 4 (g) Boat license,
- 5 (h) Non-Beverage User's license,
- 6 (i) Wine-maker's premises license,
- 7 (j) Airplane license,
- 8 (k) Foreign importer's license,
- 9 (l) Broker's license,
- 10 (m) Non-resident dealer's license,
- 11 (n) Brew Pub license,
- 12 (o) Auction liquor license,
- 13 (p) Caterer retailer license,
- 14 (q) Special use permit license.

15 No person, firm, partnership, corporation, or other legal  
16 business entity that is engaged in the manufacturing of wine  
17 may concurrently obtain and hold a wine-maker's license and a  
18 wine manufacturer's license.

19 (a) A manufacturer's license shall allow the manufacture,  
20 importation in bulk, storage, distribution and sale of  
21 alcoholic liquor to persons without the State, as may be  
22 permitted by law and to licensees in this State as follows:

23 Class 1. A Distiller may make sales and deliveries of  
24 alcoholic liquor to distillers, rectifiers, importing  
25 distributors, distributors and non-beverage users and to no  
26 other licensees.

1           Class 2. A Rectifier, who is not a distiller, as defined  
2 herein, may make sales and deliveries of alcoholic liquor to  
3 rectifiers, importing distributors, distributors, retailers  
4 and non-beverage users and to no other licensees.

5           Class 3. A Brewer may make sales and deliveries of beer to  
6 importing distributors, distributors, and to non-licensees,  
7 and to retailers provided the brewer obtains an importing  
8 distributor's license or distributor's license in accordance  
9 with the provisions of this Act.

10           Class 4. A first class wine-manufacturer may make sales and  
11 deliveries of up to 50,000 gallons of wine to manufacturers,  
12 importing distributors and distributors, and to no other  
13 licensees.

14           Class 5. A second class Wine manufacturer may make sales  
15 and deliveries of more than 50,000 gallons of wine to  
16 manufacturers, importing distributors and distributors and to  
17 no other licensees.

18           Class 6. A first-class wine-maker's license shall allow the  
19 manufacture of up to 50,000 gallons of wine per year, and the  
20 storage and sale of such wine to distributors in the State and  
21 to persons without the State, as may be permitted by law. A  
22 first-class wine-maker's license shall allow the sale of no  
23 more than 5,000 gallons of the licensee's wine to retailers.  
24 The State Commission shall issue only one first-class  
25 wine-maker's license to any person, firm, partnership,  
26 corporation, or other legal business entity that is engaged in

1 the making of less than 50,000 gallons of wine annually that  
2 applies for a first-class wine-maker's license. No subsidiary  
3 or affiliate thereof, nor any officer, associate, member,  
4 partner, representative, employee, agent, or shareholder may  
5 be issued an additional wine-maker's license by the State  
6 Commission.

7 Class 7. A second-class wine-maker's license shall allow  
8 the manufacture of between 50,000 and 100,000 gallons of wine  
9 per year, and the storage and sale of such wine to distributors  
10 in this State and to persons without the State, as may be  
11 permitted by law. A second-class wine-maker's license shall  
12 allow the sale of no more than 10,000 gallons of the licensee's  
13 wine directly to retailers. The State Commission shall issue  
14 only one second-class wine-maker's license to any person, firm,  
15 partnership, corporation, or other legal business entity that  
16 is engaged in the making of less than 100,000 gallons of wine  
17 annually that applies for a second-class wine-maker's license.  
18 No subsidiary or affiliate thereof, or any officer, associate,  
19 member, partner, representative, employee, agent, or  
20 shareholder may be issued an additional wine-maker's license by  
21 the State Commission.

22 Class 8. A limited wine-manufacturer may make sales and  
23 deliveries not to exceed 40,000 gallons of wine per year to  
24 distributors, and to non-licensees in accordance with the  
25 provisions of this Act.

26 (a-1) A manufacturer which is licensed in this State to

1 make sales or deliveries of alcoholic liquor and which enlists  
2 agents, representatives, or individuals acting on its behalf  
3 who contact licensed retailers on a regular and continual basis  
4 in this State must register those agents, representatives, or  
5 persons acting on its behalf with the State Commission.

6 Registration of agents, representatives, or persons acting  
7 on behalf of a manufacturer is fulfilled by submitting a form  
8 to the Commission. The form shall be developed by the  
9 Commission and shall include the name and address of the  
10 applicant, the name and address of the manufacturer he or she  
11 represents, the territory or areas assigned to sell to or  
12 discuss pricing terms of alcoholic liquor, and any other  
13 questions deemed appropriate and necessary. All statements in  
14 the forms required to be made by law or by rule shall be deemed  
15 material, and any person who knowingly misstates any material  
16 fact under oath in an application is guilty of a Class B  
17 misdemeanor. Fraud, misrepresentation, false statements,  
18 misleading statements, evasions, or suppression of material  
19 facts in the securing of a registration are grounds for  
20 suspension or revocation of the registration.

21 (b) A distributor's license shall allow the wholesale  
22 purchase and storage of alcoholic liquors and sale of alcoholic  
23 liquors to licensees in this State and to persons without the  
24 State, as may be permitted by law.

25 (c) An importing distributor's license may be issued to and  
26 held by those only who are duly licensed distributors, upon the

1 filing of an application by a duly licensed distributor, with  
2 the Commission and the Commission shall, without the payment of  
3 any fee, immediately issue such importing distributor's  
4 license to the applicant, which shall allow the importation of  
5 alcoholic liquor by the licensee into this State from any point  
6 in the United States outside this State, and the purchase of  
7 alcoholic liquor in barrels, casks or other bulk containers and  
8 the bottling of such alcoholic liquors before resale thereof,  
9 but all bottles or containers so filled shall be sealed,  
10 labeled, stamped and otherwise made to comply with all  
11 provisions, rules and regulations governing manufacturers in  
12 the preparation and bottling of alcoholic liquors. The  
13 importing distributor's license shall permit such licensee to  
14 purchase alcoholic liquor from Illinois licensed non-resident  
15 dealers and foreign importers only.

16 (d) A retailer's license shall allow the licensee to sell  
17 and offer for sale at retail, only in the premises specified in  
18 the license, alcoholic liquor for use or consumption, but not  
19 for resale in any form: Provided that any retail license issued  
20 to a manufacturer shall only permit the manufacturer to sell  
21 beer at retail on the premises actually occupied by the  
22 manufacturer. For the purpose of further describing the type of  
23 business conducted at a retail licensed premises, a retailer's  
24 licensee may be designated by the State Commission as (i) an on  
25 premise consumption retailer, (ii) an off premise sale  
26 retailer, or (iii) a combined on premise consumption and off

1 premise sale retailer.

2 Notwithstanding any other provision of this subsection  
3 (d), a retail licensee may sell alcoholic liquors to a special  
4 event retailer licensee for resale to the extent permitted  
5 under subsection (e).

6 (e) A special event retailer's license (not-for-profit)  
7 shall permit the licensee to purchase alcoholic liquors from an  
8 Illinois licensed distributor (unless the licensee purchases  
9 less than \$500 of alcoholic liquors for the special event, in  
10 which case the licensee may purchase the alcoholic liquors from  
11 a licensed retailer) and shall allow the licensee to sell and  
12 offer for sale, at retail, alcoholic liquors for use or  
13 consumption, but not for resale in any form and only at the  
14 location and on the specific dates designated for the special  
15 event in the license. An applicant for a special event retailer  
16 license must (i) furnish with the application: (A) a resale  
17 number issued under Section 2c of the Retailers' Occupation Tax  
18 Act or evidence that the applicant is registered under Section  
19 2a of the Retailers' Occupation Tax Act, (B) a current, valid  
20 exemption identification number issued under Section 1g of the  
21 Retailers' Occupation Tax Act, and a certification to the  
22 Commission that the purchase of alcoholic liquors will be a  
23 tax-exempt purchase, or (C) a statement that the applicant is  
24 not registered under Section 2a of the Retailers' Occupation  
25 Tax Act, does not hold a resale number under Section 2c of the  
26 Retailers' Occupation Tax Act, and does not hold an exemption

1 number under Section 1g of the Retailers' Occupation Tax Act,  
2 in which event the Commission shall set forth on the special  
3 event retailer's license a statement to that effect; (ii)  
4 submit with the application proof satisfactory to the State  
5 Commission that the applicant will provide dram shop liability  
6 insurance in the maximum limits; and (iii) show proof  
7 satisfactory to the State Commission that the applicant has  
8 obtained local authority approval.

9 (f) A railroad license shall permit the licensee to import  
10 alcoholic liquors into this State from any point in the United  
11 States outside this State and to store such alcoholic liquors  
12 in this State; to make wholesale purchases of alcoholic liquors  
13 directly from manufacturers, foreign importers, distributors  
14 and importing distributors from within or outside this State;  
15 and to store such alcoholic liquors in this State; provided  
16 that the above powers may be exercised only in connection with  
17 the importation, purchase or storage of alcoholic liquors to be  
18 sold or dispensed on a club, buffet, lounge or dining car  
19 operated on an electric, gas or steam railway in this State;  
20 and provided further, that railroad licensees exercising the  
21 above powers shall be subject to all provisions of Article VIII  
22 of this Act as applied to importing distributors. A railroad  
23 license shall also permit the licensee to sell or dispense  
24 alcoholic liquors on any club, buffet, lounge or dining car  
25 operated on an electric, gas or steam railway regularly  
26 operated by a common carrier in this State, but shall not

1 permit the sale for resale of any alcoholic liquors to any  
2 licensee within this State. A license shall be obtained for  
3 each car in which such sales are made.

4 (g) A boat license shall allow the sale of alcoholic liquor  
5 in individual drinks, on any passenger boat regularly operated  
6 as a common carrier on navigable waters in this State or on any  
7 riverboat operated under the Illinois ~~Riverboat~~ Gambling Act,  
8 which boat or riverboat maintains a public dining room or  
9 restaurant thereon.

10 (h) A non-beverage user's license shall allow the licensee  
11 to purchase alcoholic liquor from a licensed manufacturer or  
12 importing distributor, without the imposition of any tax upon  
13 the business of such licensed manufacturer or importing  
14 distributor as to such alcoholic liquor to be used by such  
15 licensee solely for the non-beverage purposes set forth in  
16 subsection (a) of Section 8-1 of this Act, and such licenses  
17 shall be divided and classified and shall permit the purchase,  
18 possession and use of limited and stated quantities of  
19 alcoholic liquor as follows:

- 20 Class 1, not to exceed ..... 500 gallons
- 21 Class 2, not to exceed ..... 1,000 gallons
- 22 Class 3, not to exceed ..... 5,000 gallons
- 23 Class 4, not to exceed ..... 10,000 gallons
- 24 Class 5, not to exceed ..... 50,000 gallons

25 (i) A wine-maker's premises license shall allow a licensee  
26 that concurrently holds a first-class wine-maker's license to

1 sell and offer for sale at retail in the premises specified in  
2 such license not more than 50,000 gallons of the first-class  
3 wine-maker's wine that is made at the first-class wine-maker's  
4 licensed premises per year for use or consumption, but not for  
5 resale in any form. A wine-maker's premises license shall allow  
6 a licensee who concurrently holds a second-class wine-maker's  
7 license to sell and offer for sale at retail in the premises  
8 specified in such license up to 100,000 gallons of the  
9 second-class wine-maker's wine that is made at the second-class  
10 wine-maker's licensed premises per year for use or consumption  
11 but not for resale in any form. A wine-maker's premises license  
12 shall allow a licensee that concurrently holds a first-class  
13 wine-maker's license or a second-class wine-maker's license to  
14 sell and offer for sale at retail at the premises specified in  
15 the wine-maker's premises license, for use or consumption but  
16 not for resale in any form, any beer, wine, and spirits  
17 purchased from a licensed distributor. Upon approval from the  
18 State Commission, a wine-maker's premises license shall allow  
19 the licensee to sell and offer for sale at (i) the wine-maker's  
20 licensed premises and (ii) at up to 2 additional locations for  
21 use and consumption and not for resale. Each location shall  
22 require additional licensing per location as specified in  
23 Section 5-3 of this Act.

24 (j) An airplane license shall permit the licensee to import  
25 alcoholic liquors into this State from any point in the United  
26 States outside this State and to store such alcoholic liquors

1 in this State; to make wholesale purchases of alcoholic liquors  
2 directly from manufacturers, foreign importers, distributors  
3 and importing distributors from within or outside this State;  
4 and to store such alcoholic liquors in this State; provided  
5 that the above powers may be exercised only in connection with  
6 the importation, purchase or storage of alcoholic liquors to be  
7 sold or dispensed on an airplane; and provided further, that  
8 airplane licensees exercising the above powers shall be subject  
9 to all provisions of Article VIII of this Act as applied to  
10 importing distributors. An airplane licensee shall also permit  
11 the sale or dispensing of alcoholic liquors on any passenger  
12 airplane regularly operated by a common carrier in this State,  
13 but shall not permit the sale for resale of any alcoholic  
14 liquors to any licensee within this State. A single airplane  
15 license shall be required of an airline company if liquor  
16 service is provided on board aircraft in this State. The annual  
17 fee for such license shall be as determined in Section 5-3.

18 (k) A foreign importer's license shall permit such licensee  
19 to purchase alcoholic liquor from Illinois licensed  
20 non-resident dealers only, and to import alcoholic liquor other  
21 than in bulk from any point outside the United States and to  
22 sell such alcoholic liquor to Illinois licensed importing  
23 distributors and to no one else in Illinois; provided that the  
24 foreign importer registers with the State Commission every  
25 brand of alcoholic liquor that it proposes to sell to Illinois  
26 licensees during the license period and provided further that

1 the foreign importer complies with all of the provisions of  
2 Section 6-9 of this Act with respect to registration of such  
3 Illinois licensees as may be granted the right to sell such  
4 brands at wholesale.

5 (1) (i) A broker's license shall be required of all persons  
6 who solicit orders for, offer to sell or offer to supply  
7 alcoholic liquor to retailers in the State of Illinois, or who  
8 offer to retailers to ship or cause to be shipped or to make  
9 contact with distillers, rectifiers, brewers or manufacturers  
10 or any other party within or without the State of Illinois in  
11 order that alcoholic liquors be shipped to a distributor,  
12 importing distributor or foreign importer, whether such  
13 solicitation or offer is consummated within or without the  
14 State of Illinois.

15 No holder of a retailer's license issued by the Illinois  
16 Liquor Control Commission shall purchase or receive any  
17 alcoholic liquor, the order for which was solicited or offered  
18 for sale to such retailer by a broker unless the broker is the  
19 holder of a valid broker's license.

20 The broker shall, upon the acceptance by a retailer of the  
21 broker's solicitation of an order or offer to sell or supply or  
22 deliver or have delivered alcoholic liquors, promptly forward  
23 to the Illinois Liquor Control Commission a notification of  
24 said transaction in such form as the Commission may by  
25 regulations prescribe.

26 (ii) A broker's license shall be required of a person

1 within this State, other than a retail licensee, who, for a fee  
2 or commission, promotes, solicits, or accepts orders for  
3 alcoholic liquor, for use or consumption and not for resale, to  
4 be shipped from this State and delivered to residents outside  
5 of this State by an express company, common carrier, or  
6 contract carrier. This Section does not apply to any person who  
7 promotes, solicits, or accepts orders for wine as specifically  
8 authorized in Section 6-29 of this Act.

9 A broker's license under this subsection (1) shall not  
10 entitle the holder to buy or sell any alcoholic liquors for his  
11 own account or to take or deliver title to such alcoholic  
12 liquors.

13 This subsection (1) shall not apply to distributors,  
14 employees of distributors, or employees of a manufacturer who  
15 has registered the trademark, brand or name of the alcoholic  
16 liquor pursuant to Section 6-9 of this Act, and who regularly  
17 sells such alcoholic liquor in the State of Illinois only to  
18 its registrants thereunder.

19 Any agent, representative, or person subject to  
20 registration pursuant to subsection (a-1) of this Section shall  
21 not be eligible to receive a broker's license.

22 (m) A non-resident dealer's license shall permit such  
23 licensee to ship into and warehouse alcoholic liquor into this  
24 State from any point outside of this State, and to sell such  
25 alcoholic liquor to Illinois licensed foreign importers and  
26 importing distributors and to no one else in this State;

1 provided that said non-resident dealer shall register with the  
2 Illinois Liquor Control Commission each and every brand of  
3 alcoholic liquor which it proposes to sell to Illinois  
4 licensees during the license period; and further provided that  
5 it shall comply with all of the provisions of Section 6-9  
6 hereof with respect to registration of such Illinois licensees  
7 as may be granted the right to sell such brands at wholesale.

8 (n) A brew pub license shall allow the licensee to  
9 manufacture beer only on the premises specified in the license,  
10 to make sales of the beer manufactured on the premises to  
11 importing distributors, distributors, and to non-licensees for  
12 use and consumption, to store the beer upon the premises, and  
13 to sell and offer for sale at retail from the licensed  
14 premises, provided that a brew pub licensee shall not sell for  
15 off-premises consumption more than 50,000 gallons per year.

16 (o) A caterer retailer license shall allow the holder to  
17 serve alcoholic liquors as an incidental part of a food service  
18 that serves prepared meals which excludes the serving of snacks  
19 as the primary meal, either on or off-site whether licensed or  
20 unlicensed.

21 (p) An auction liquor license shall allow the licensee to  
22 sell and offer for sale at auction wine and spirits for use or  
23 consumption, or for resale by an Illinois liquor licensee in  
24 accordance with provisions of this Act. An auction liquor  
25 license will be issued to a person and it will permit the  
26 auction liquor licensee to hold the auction anywhere in the

1 State. An auction liquor license must be obtained for each  
2 auction at least 14 days in advance of the auction date.

3 (q) A special use permit license shall allow an Illinois  
4 licensed retailer to transfer a portion of its alcoholic liquor  
5 inventory from its retail licensed premises to the premises  
6 specified in the license hereby created, and to sell or offer  
7 for sale at retail, only in the premises specified in the  
8 license hereby created, the transferred alcoholic liquor for  
9 use or consumption, but not for resale in any form. A special  
10 use permit license may be granted for the following time  
11 periods: one day or less; 2 or more days to a maximum of 15 days  
12 per location in any 12 month period. An applicant for the  
13 special use permit license must also submit with the  
14 application proof satisfactory to the State Commission that the  
15 applicant will provide dram shop liability insurance to the  
16 maximum limits and have local authority approval.

17 (Source: P.A. 95-331, eff. 8-21-07.)

18 (Text of Section after amendment by P.A. 95-634)

19 Sec. 5-1. Licenses issued by the Illinois Liquor Control  
20 Commission shall be of the following classes:

21 (a) Manufacturer's license - Class 1. Distiller, Class 2.  
22 Rectifier, Class 3. Brewer, Class 4. First Class Wine  
23 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.  
24 First Class Winemaker, Class 7. Second Class Winemaker, Class  
25 8. Limited Wine Manufacturer,

- 1 (b) Distributor's license,
- 2 (c) Importing Distributor's license,
- 3 (d) Retailer's license,
- 4 (e) Special Event Retailer's license (not-for-profit),
- 5 (f) Railroad license,
- 6 (g) Boat license,
- 7 (h) Non-Beverage User's license,
- 8 (i) Wine-maker's premises license,
- 9 (j) Airplane license,
- 10 (k) Foreign importer's license,
- 11 (l) Broker's license,
- 12 (m) Non-resident dealer's license,
- 13 (n) Brew Pub license,
- 14 (o) Auction liquor license,
- 15 (p) Caterer retailer license,
- 16 (q) Special use permit license,
- 17 (r) Winery shipper's license.

18 No person, firm, partnership, corporation, or other legal  
19 business entity that is engaged in the manufacturing of wine  
20 may concurrently obtain and hold a wine-maker's license and a  
21 wine manufacturer's license.

22 (a) A manufacturer's license shall allow the manufacture,  
23 importation in bulk, storage, distribution and sale of  
24 alcoholic liquor to persons without the State, as may be  
25 permitted by law and to licensees in this State as follows:

26 Class 1. A Distiller may make sales and deliveries of

1 alcoholic liquor to distillers, rectifiers, importing  
2 distributors, distributors and non-beverage users and to no  
3 other licensees.

4 Class 2. A Rectifier, who is not a distiller, as defined  
5 herein, may make sales and deliveries of alcoholic liquor to  
6 rectifiers, importing distributors, distributors, retailers  
7 and non-beverage users and to no other licensees.

8 Class 3. A Brewer may make sales and deliveries of beer to  
9 importing distributors, distributors, and to non-licensees,  
10 and to retailers provided the brewer obtains an importing  
11 distributor's license or distributor's license in accordance  
12 with the provisions of this Act.

13 Class 4. A first class wine-manufacturer may make sales and  
14 deliveries of up to 50,000 gallons of wine to manufacturers,  
15 importing distributors and distributors, and to no other  
16 licensees.

17 Class 5. A second class Wine manufacturer may make sales  
18 and deliveries of more than 50,000 gallons of wine to  
19 manufacturers, importing distributors and distributors and to  
20 no other licensees.

21 Class 6. A first-class wine-maker's license shall allow the  
22 manufacture of up to 50,000 gallons of wine per year, and the  
23 storage and sale of such wine to distributors in the State and  
24 to persons without the State, as may be permitted by law. A  
25 person who, prior to the effective date of this amendatory Act  
26 of the 95th General Assembly, is a holder of a first-class

1 wine-maker's license and annually produces more than 25,000  
2 gallons of its own wine and who distributes its wine to  
3 licensed retailers shall cease this practice on or before July  
4 1, 2008 in compliance with this amendatory Act of the 95th  
5 General Assembly.

6 Class 7. A second-class wine-maker's license shall allow  
7 the manufacture of between 50,000 and 150,000 gallons of wine  
8 per year, and the storage and sale of such wine to distributors  
9 in this State and to persons without the State, as may be  
10 permitted by law. A person who, prior to the effective date of  
11 this amendatory Act of the 95th General Assembly, is a holder  
12 of a second-class wine-maker's license and annually produces  
13 more than 25,000 gallons of its own wine and who distributes  
14 its wine to licensed retailers shall cease this practice on or  
15 before July 1, 2008 in compliance with this amendatory Act of  
16 the 95th General Assembly.

17 Class 8. A limited wine-manufacturer may make sales and  
18 deliveries not to exceed 40,000 gallons of wine per year to  
19 distributors, and to non-licensees in accordance with the  
20 provisions of this Act.

21 (a-1) A manufacturer which is licensed in this State to  
22 make sales or deliveries of alcoholic liquor and which enlists  
23 agents, representatives, or individuals acting on its behalf  
24 who contact licensed retailers on a regular and continual basis  
25 in this State must register those agents, representatives, or  
26 persons acting on its behalf with the State Commission.

1           Registration of agents, representatives, or persons acting  
2 on behalf of a manufacturer is fulfilled by submitting a form  
3 to the Commission. The form shall be developed by the  
4 Commission and shall include the name and address of the  
5 applicant, the name and address of the manufacturer he or she  
6 represents, the territory or areas assigned to sell to or  
7 discuss pricing terms of alcoholic liquor, and any other  
8 questions deemed appropriate and necessary. All statements in  
9 the forms required to be made by law or by rule shall be deemed  
10 material, and any person who knowingly misstates any material  
11 fact under oath in an application is guilty of a Class B  
12 misdemeanor. Fraud, misrepresentation, false statements,  
13 misleading statements, evasions, or suppression of material  
14 facts in the securing of a registration are grounds for  
15 suspension or revocation of the registration.

16           (b) A distributor's license shall allow the wholesale  
17 purchase and storage of alcoholic liquors and sale of alcoholic  
18 liquors to licensees in this State and to persons without the  
19 State, as may be permitted by law.

20           (c) An importing distributor's license may be issued to and  
21 held by those only who are duly licensed distributors, upon the  
22 filing of an application by a duly licensed distributor, with  
23 the Commission and the Commission shall, without the payment of  
24 any fee, immediately issue such importing distributor's  
25 license to the applicant, which shall allow the importation of  
26 alcoholic liquor by the licensee into this State from any point

1 in the United States outside this State, and the purchase of  
2 alcoholic liquor in barrels, casks or other bulk containers and  
3 the bottling of such alcoholic liquors before resale thereof,  
4 but all bottles or containers so filled shall be sealed,  
5 labeled, stamped and otherwise made to comply with all  
6 provisions, rules and regulations governing manufacturers in  
7 the preparation and bottling of alcoholic liquors. The  
8 importing distributor's license shall permit such licensee to  
9 purchase alcoholic liquor from Illinois licensed non-resident  
10 dealers and foreign importers only.

11 (d) A retailer's license shall allow the licensee to sell  
12 and offer for sale at retail, only in the premises specified in  
13 the license, alcoholic liquor for use or consumption, but not  
14 for resale in any form. Nothing in this amendatory Act of the  
15 95th General Assembly shall deny, limit, remove, or restrict  
16 the ability of a holder of a retailer's license to transfer,  
17 deliver, or ship alcoholic liquor to the purchaser for use or  
18 consumption subject to any applicable local law or ordinance.  
19 Any retail license issued to a manufacturer shall only permit  
20 the manufacturer to sell beer at retail on the premises  
21 actually occupied by the manufacturer. For the purpose of  
22 further describing the type of business conducted at a retail  
23 licensed premises, a retailer's licensee may be designated by  
24 the State Commission as (i) an on premise consumption retailer,  
25 (ii) an off premise sale retailer, or (iii) a combined on  
26 premise consumption and off premise sale retailer.

1           Notwithstanding any other provision of this subsection  
2           (d), a retail licensee may sell alcoholic liquors to a special  
3           event retailer licensee for resale to the extent permitted  
4           under subsection (e).

5           (e) A special event retailer's license (not-for-profit)  
6           shall permit the licensee to purchase alcoholic liquors from an  
7           Illinois licensed distributor (unless the licensee purchases  
8           less than \$500 of alcoholic liquors for the special event, in  
9           which case the licensee may purchase the alcoholic liquors from  
10          a licensed retailer) and shall allow the licensee to sell and  
11          offer for sale, at retail, alcoholic liquors for use or  
12          consumption, but not for resale in any form and only at the  
13          location and on the specific dates designated for the special  
14          event in the license. An applicant for a special event retailer  
15          license must (i) furnish with the application: (A) a resale  
16          number issued under Section 2c of the Retailers' Occupation Tax  
17          Act or evidence that the applicant is registered under Section  
18          2a of the Retailers' Occupation Tax Act, (B) a current, valid  
19          exemption identification number issued under Section 1g of the  
20          Retailers' Occupation Tax Act, and a certification to the  
21          Commission that the purchase of alcoholic liquors will be a  
22          tax-exempt purchase, or (C) a statement that the applicant is  
23          not registered under Section 2a of the Retailers' Occupation  
24          Tax Act, does not hold a resale number under Section 2c of the  
25          Retailers' Occupation Tax Act, and does not hold an exemption  
26          number under Section 1g of the Retailers' Occupation Tax Act,

1 in which event the Commission shall set forth on the special  
2 event retailer's license a statement to that effect; (ii)  
3 submit with the application proof satisfactory to the State  
4 Commission that the applicant will provide dram shop liability  
5 insurance in the maximum limits; and (iii) show proof  
6 satisfactory to the State Commission that the applicant has  
7 obtained local authority approval.

8 (f) A railroad license shall permit the licensee to import  
9 alcoholic liquors into this State from any point in the United  
10 States outside this State and to store such alcoholic liquors  
11 in this State; to make wholesale purchases of alcoholic liquors  
12 directly from manufacturers, foreign importers, distributors  
13 and importing distributors from within or outside this State;  
14 and to store such alcoholic liquors in this State; provided  
15 that the above powers may be exercised only in connection with  
16 the importation, purchase or storage of alcoholic liquors to be  
17 sold or dispensed on a club, buffet, lounge or dining car  
18 operated on an electric, gas or steam railway in this State;  
19 and provided further, that railroad licensees exercising the  
20 above powers shall be subject to all provisions of Article VIII  
21 of this Act as applied to importing distributors. A railroad  
22 license shall also permit the licensee to sell or dispense  
23 alcoholic liquors on any club, buffet, lounge or dining car  
24 operated on an electric, gas or steam railway regularly  
25 operated by a common carrier in this State, but shall not  
26 permit the sale for resale of any alcoholic liquors to any

1 licensee within this State. A license shall be obtained for  
2 each car in which such sales are made.

3 (g) A boat license shall allow the sale of alcoholic liquor  
4 in individual drinks, on any passenger boat regularly operated  
5 as a common carrier on navigable waters in this State or on any  
6 riverboat operated under the Illinois ~~Riverboat~~ Gambling Act,  
7 which boat or riverboat maintains a public dining room or  
8 restaurant thereon.

9 (h) A non-beverage user's license shall allow the licensee  
10 to purchase alcoholic liquor from a licensed manufacturer or  
11 importing distributor, without the imposition of any tax upon  
12 the business of such licensed manufacturer or importing  
13 distributor as to such alcoholic liquor to be used by such  
14 licensee solely for the non-beverage purposes set forth in  
15 subsection (a) of Section 8-1 of this Act, and such licenses  
16 shall be divided and classified and shall permit the purchase,  
17 possession and use of limited and stated quantities of  
18 alcoholic liquor as follows:

- 19 Class 1, not to exceed ..... 500 gallons
- 20 Class 2, not to exceed ..... 1,000 gallons
- 21 Class 3, not to exceed ..... 5,000 gallons
- 22 Class 4, not to exceed ..... 10,000 gallons
- 23 Class 5, not to exceed ..... 50,000 gallons

24 (i) A wine-maker's premises license shall allow a licensee  
25 that concurrently holds a first-class wine-maker's license to  
26 sell and offer for sale at retail in the premises specified in

1 such license not more than 50,000 gallons of the first-class  
2 wine-maker's wine that is made at the first-class wine-maker's  
3 licensed premises per year for use or consumption, but not for  
4 resale in any form. A wine-maker's premises license shall allow  
5 a licensee who concurrently holds a second-class wine-maker's  
6 license to sell and offer for sale at retail in the premises  
7 specified in such license up to 100,000 gallons of the  
8 second-class wine-maker's wine that is made at the second-class  
9 wine-maker's licensed premises per year for use or consumption  
10 but not for resale in any form. A wine-maker's premises license  
11 shall allow a licensee that concurrently holds a first-class  
12 wine-maker's license or a second-class wine-maker's license to  
13 sell and offer for sale at retail at the premises specified in  
14 the wine-maker's premises license, for use or consumption but  
15 not for resale in any form, any beer, wine, and spirits  
16 purchased from a licensed distributor. Upon approval from the  
17 State Commission, a wine-maker's premises license shall allow  
18 the licensee to sell and offer for sale at (i) the wine-maker's  
19 licensed premises and (ii) at up to 2 additional locations for  
20 use and consumption and not for resale. Each location shall  
21 require additional licensing per location as specified in  
22 Section 5-3 of this Act. A wine-maker's premises licensee shall  
23 secure liquor liability insurance coverage in an amount at  
24 least equal to the maximum liability amounts set forth in  
25 subsection (a) of Section 6-21 of this Act.

26 (j) An airplane license shall permit the licensee to import

1 alcoholic liquors into this State from any point in the United  
2 States outside this State and to store such alcoholic liquors  
3 in this State; to make wholesale purchases of alcoholic liquors  
4 directly from manufacturers, foreign importers, distributors  
5 and importing distributors from within or outside this State;  
6 and to store such alcoholic liquors in this State; provided  
7 that the above powers may be exercised only in connection with  
8 the importation, purchase or storage of alcoholic liquors to be  
9 sold or dispensed on an airplane; and provided further, that  
10 airplane licensees exercising the above powers shall be subject  
11 to all provisions of Article VIII of this Act as applied to  
12 importing distributors. An airplane licensee shall also permit  
13 the sale or dispensing of alcoholic liquors on any passenger  
14 airplane regularly operated by a common carrier in this State,  
15 but shall not permit the sale for resale of any alcoholic  
16 liquors to any licensee within this State. A single airplane  
17 license shall be required of an airline company if liquor  
18 service is provided on board aircraft in this State. The annual  
19 fee for such license shall be as determined in Section 5-3.

20 (k) A foreign importer's license shall permit such licensee  
21 to purchase alcoholic liquor from Illinois licensed  
22 non-resident dealers only, and to import alcoholic liquor other  
23 than in bulk from any point outside the United States and to  
24 sell such alcoholic liquor to Illinois licensed importing  
25 distributors and to no one else in Illinois; provided that the  
26 foreign importer registers with the State Commission every

1 brand of alcoholic liquor that it proposes to sell to Illinois  
2 licensees during the license period and provided further that  
3 the foreign importer complies with all of the provisions of  
4 Section 6-9 of this Act with respect to registration of such  
5 Illinois licensees as may be granted the right to sell such  
6 brands at wholesale.

7 (1) (i) A broker's license shall be required of all persons  
8 who solicit orders for, offer to sell or offer to supply  
9 alcoholic liquor to retailers in the State of Illinois, or who  
10 offer to retailers to ship or cause to be shipped or to make  
11 contact with distillers, rectifiers, brewers or manufacturers  
12 or any other party within or without the State of Illinois in  
13 order that alcoholic liquors be shipped to a distributor,  
14 importing distributor or foreign importer, whether such  
15 solicitation or offer is consummated within or without the  
16 State of Illinois.

17 No holder of a retailer's license issued by the Illinois  
18 Liquor Control Commission shall purchase or receive any  
19 alcoholic liquor, the order for which was solicited or offered  
20 for sale to such retailer by a broker unless the broker is the  
21 holder of a valid broker's license.

22 The broker shall, upon the acceptance by a retailer of the  
23 broker's solicitation of an order or offer to sell or supply or  
24 deliver or have delivered alcoholic liquors, promptly forward  
25 to the Illinois Liquor Control Commission a notification of  
26 said transaction in such form as the Commission may by

1 regulations prescribe.

2 (ii) A broker's license shall be required of a person  
3 within this State, other than a retail licensee, who, for a fee  
4 or commission, promotes, solicits, or accepts orders for  
5 alcoholic liquor, for use or consumption and not for resale, to  
6 be shipped from this State and delivered to residents outside  
7 of this State by an express company, common carrier, or  
8 contract carrier. This Section does not apply to any person who  
9 promotes, solicits, or accepts orders for wine as specifically  
10 authorized in Section 6-29 of this Act.

11 A broker's license under this subsection (1) shall not  
12 entitle the holder to buy or sell any alcoholic liquors for his  
13 own account or to take or deliver title to such alcoholic  
14 liquors.

15 This subsection (1) shall not apply to distributors,  
16 employees of distributors, or employees of a manufacturer who  
17 has registered the trademark, brand or name of the alcoholic  
18 liquor pursuant to Section 6-9 of this Act, and who regularly  
19 sells such alcoholic liquor in the State of Illinois only to  
20 its registrants thereunder.

21 Any agent, representative, or person subject to  
22 registration pursuant to subsection (a-1) of this Section shall  
23 not be eligible to receive a broker's license.

24 (m) A non-resident dealer's license shall permit such  
25 licensee to ship into and warehouse alcoholic liquor into this  
26 State from any point outside of this State, and to sell such

1 alcoholic liquor to Illinois licensed foreign importers and  
2 importing distributors and to no one else in this State;  
3 provided that said non-resident dealer shall register with the  
4 Illinois Liquor Control Commission each and every brand of  
5 alcoholic liquor which it proposes to sell to Illinois  
6 licensees during the license period; and further provided that  
7 it shall comply with all of the provisions of Section 6-9  
8 hereof with respect to registration of such Illinois licensees  
9 as may be granted the right to sell such brands at wholesale.

10 (n) A brew pub license shall allow the licensee to  
11 manufacture beer only on the premises specified in the license,  
12 to make sales of the beer manufactured on the premises to  
13 importing distributors, distributors, and to non-licensees for  
14 use and consumption, to store the beer upon the premises, and  
15 to sell and offer for sale at retail from the licensed  
16 premises, provided that a brew pub licensee shall not sell for  
17 off-premises consumption more than 50,000 gallons per year.

18 (o) A caterer retailer license shall allow the holder to  
19 serve alcoholic liquors as an incidental part of a food service  
20 that serves prepared meals which excludes the serving of snacks  
21 as the primary meal, either on or off-site whether licensed or  
22 unlicensed.

23 (p) An auction liquor license shall allow the licensee to  
24 sell and offer for sale at auction wine and spirits for use or  
25 consumption, or for resale by an Illinois liquor licensee in  
26 accordance with provisions of this Act. An auction liquor

1 license will be issued to a person and it will permit the  
2 auction liquor licensee to hold the auction anywhere in the  
3 State. An auction liquor license must be obtained for each  
4 auction at least 14 days in advance of the auction date.

5 (q) A special use permit license shall allow an Illinois  
6 licensed retailer to transfer a portion of its alcoholic liquor  
7 inventory from its retail licensed premises to the premises  
8 specified in the license hereby created, and to sell or offer  
9 for sale at retail, only in the premises specified in the  
10 license hereby created, the transferred alcoholic liquor for  
11 use or consumption, but not for resale in any form. A special  
12 use permit license may be granted for the following time  
13 periods: one day or less; 2 or more days to a maximum of 15 days  
14 per location in any 12 month period. An applicant for the  
15 special use permit license must also submit with the  
16 application proof satisfactory to the State Commission that the  
17 applicant will provide dram shop liability insurance to the  
18 maximum limits and have local authority approval.

19 (r) A winery shipper's license shall allow a person with a  
20 first-class or second-class wine manufacturer's license, a  
21 first-class or second-class wine-maker's license, or a limited  
22 wine manufacturer's license or who is licensed to make wine  
23 under the laws of another state to ship wine made by that  
24 licensee directly to a resident of this State who is 21 years  
25 of age or older for that resident's personal use and not for  
26 resale. Prior to receiving a winery shipper's license, an

1 applicant for the license must provide the Commission with a  
2 true copy of its current license in any state in which it is  
3 licensed as a manufacturer of wine. An applicant for a winery  
4 shipper's license must also complete an application form that  
5 provides any other information the Commission deems necessary.  
6 The application form shall include an acknowledgement  
7 consenting to the jurisdiction of the Commission, the Illinois  
8 Department of Revenue, and the courts of this State concerning  
9 the enforcement of this Act and any related laws, rules, and  
10 regulations, including authorizing the Department of Revenue  
11 and the Commission to conduct audits for the purpose of  
12 ensuring compliance with this amendatory Act.

13 A winery shipper licensee must pay to the Department of  
14 Revenue the State liquor gallonage tax under Section 8-1 for  
15 all wine that is sold by the licensee and shipped to a person  
16 in this State. For the purposes of Section 8-1, a winery  
17 shipper licensee shall be taxed in the same manner as a  
18 manufacturer of wine. A licensee who is not otherwise required  
19 to register under the Retailers' Occupation Tax Act must  
20 register under the Use Tax Act to collect and remit use tax to  
21 the Department of Revenue for all gallons of wine that are sold  
22 by the licensee and shipped to persons in this State. If a  
23 licensee fails to remit the tax imposed under this Act in  
24 accordance with the provisions of Article VIII of this Act, the  
25 winery shipper's license shall be revoked in accordance with  
26 the provisions of Article VII of this Act. If a licensee fails

1 to properly register and remit tax under the Use Tax Act or the  
2 Retailers' Occupation Tax Act for all wine that is sold by the  
3 winery shipper and shipped to persons in this State, the winery  
4 shipper's license shall be revoked in accordance with the  
5 provisions of Article VII of this Act.

6 A winery shipper licensee must collect, maintain, and  
7 submit to the Commission on a semi-annual basis the total  
8 number of cases per resident of wine shipped to residents of  
9 this State. A winery shipper licensed under this subsection (r)  
10 must comply with the requirements of Section 6-29 of this  
11 amendatory Act.

12 (Source: P.A. 95-331, eff. 8-21-07; 95-634, eff. 6-1-08.)

13 (235 ILCS 5/6-30) (from Ch. 43, par. 144f)

14 Sec. 6-30. Notwithstanding any other provision of this Act,  
15 the Illinois Gaming Board shall have exclusive authority to  
16 establish the hours for sale and consumption of alcoholic  
17 liquor on board a riverboat during riverboat gambling  
18 excursions conducted in accordance with the Illinois Riverboat  
19 Gambling Act.

20 (Source: P.A. 87-826.)

21 Section 90-55. The Criminal Code of 1961 is amended by  
22 changing Sections 28-1, 28-1.1, 28-3, 28-5, and 28-7 as  
23 follows:

1 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

2 Sec. 28-1. Gambling.

3 (a) A person commits gambling when he:

4 (1) Plays a game of chance or skill for money or other  
5 thing of value, unless excepted in subsection (b) of this  
6 Section; or

7 (2) Makes a wager upon the result of any game, contest,  
8 or any political nomination, appointment or election; or

9 (3) Operates, keeps, owns, uses, purchases, exhibits,  
10 rents, sells, bargains for the sale or lease of,  
11 manufactures or distributes any gambling device; or

12 (4) Contracts to have or give himself or another the  
13 option to buy or sell, or contracts to buy or sell, at a  
14 future time, any grain or other commodity whatsoever, or  
15 any stock or security of any company, where it is at the  
16 time of making such contract intended by both parties  
17 thereto that the contract to buy or sell, or the option,  
18 whenever exercised, or the contract resulting therefrom,  
19 shall be settled, not by the receipt or delivery of such  
20 property, but by the payment only of differences in prices  
21 thereof; however, the issuance, purchase, sale, exercise,  
22 endorsement or guarantee, by or through a person registered  
23 with the Secretary of State pursuant to Section 8 of the  
24 Illinois Securities Law of 1953, or by or through a person  
25 exempt from such registration under said Section 8, of a  
26 put, call, or other option to buy or sell securities which

1 have been registered with the Secretary of State or which  
2 are exempt from such registration under Section 3 of the  
3 Illinois Securities Law of 1953 is not gambling within the  
4 meaning of this paragraph (4); or

5 (5) Knowingly owns or possesses any book, instrument or  
6 apparatus by means of which bets or wagers have been, or  
7 are, recorded or registered, or knowingly possesses any  
8 money which he has received in the course of a bet or  
9 wager; or

10 (6) Sells pools upon the result of any game or contest  
11 of skill or chance, political nomination, appointment or  
12 election; or

13 (7) Sets up or promotes any lottery or sells, offers to  
14 sell or transfers any ticket or share for any lottery; or

15 (8) Sets up or promotes any policy game or sells,  
16 offers to sell or knowingly possesses or transfers any  
17 policy ticket, slip, record, document or other similar  
18 device; or

19 (9) Knowingly drafts, prints or publishes any lottery  
20 ticket or share, or any policy ticket, slip, record,  
21 document or similar device, except for such activity  
22 related to lotteries, bingo games and raffles authorized by  
23 and conducted in accordance with the laws of Illinois or  
24 any other state or foreign government; or

25 (10) Knowingly advertises any lottery or policy game,  
26 except for such activity related to lotteries, bingo games

1 and raffles authorized by and conducted in accordance with  
2 the laws of Illinois or any other state; or

3 (11) Knowingly transmits information as to wagers,  
4 betting odds, or changes in betting odds by telephone,  
5 telegraph, radio, semaphore or similar means; or knowingly  
6 installs or maintains equipment for the transmission or  
7 receipt of such information; except that nothing in this  
8 subdivision (11) prohibits transmission or receipt of such  
9 information for use in news reporting of sporting events or  
10 contests; or

11 (12) Knowingly establishes, maintains, or operates an  
12 Internet site that permits a person to play a game of  
13 chance or skill for money or other thing of value by means  
14 of the Internet or to make a wager upon the result of any  
15 game, contest, political nomination, appointment, or  
16 election by means of the Internet.

17 (b) Participants in any of the following activities shall  
18 not be convicted of gambling therefor:

19 (1) Agreements to compensate for loss caused by the  
20 happening of chance including without limitation contracts  
21 of indemnity or guaranty and life or health or accident  
22 insurance;

23 (2) Offers of prizes, award or compensation to the  
24 actual contestants in any bona fide contest for the  
25 determination of skill, speed, strength or endurance or to  
26 the owners of animals or vehicles entered in such contest;

1           (3) Pari-mutuel betting as authorized by the law of  
2 this State;

3           (4) Manufacture of gambling devices, including the  
4 acquisition of essential parts therefor and the assembly  
5 thereof, for transportation in interstate or foreign  
6 commerce to any place outside this State when such  
7 transportation is not prohibited by any applicable Federal  
8 law;

9           (5) The game commonly known as "bingo", when conducted  
10 in accordance with the Bingo License and Tax Act;

11           (6) Lotteries when conducted by the State of Illinois  
12 in accordance with the Illinois Lottery Law;

13           (7) Possession of an antique slot machine that is  
14 neither used nor intended to be used in the operation or  
15 promotion of any unlawful gambling activity or enterprise.  
16 For the purpose of this subparagraph (b)(7), an antique  
17 slot machine is one manufactured 25 years ago or earlier;

18           (8) Raffles when conducted in accordance with the  
19 Raffles Act;

20           (9) Charitable games when conducted in accordance with  
21 the Charitable Games Act;

22           (10) Pull tabs and jar games when conducted under the  
23 Illinois Pull Tabs and Jar Games Act; or

24           (11) Gambling games ~~conducted on riverboats~~ when  
25 authorized by the Illinois Riverboat Gambling Act.

26           (c) Sentence.

1           Gambling under subsection (a) (1) or (a) (2) of this Section  
2 is a Class A misdemeanor. Gambling under any of subsections  
3 (a) (3) through (a) (11) of this Section is a Class A  
4 misdemeanor. A second or subsequent conviction under any of  
5 subsections (a) (3) through (a) (11), is a Class 4 felony.  
6 Gambling under subsection (a) (12) of this Section is a Class A  
7 misdemeanor. A second or subsequent conviction under  
8 subsection (a) (12) is a Class 4 felony.

9           (d) Circumstantial evidence.

10           In prosecutions under subsection (a) (1) through (a) (12) of  
11 this Section circumstantial evidence shall have the same  
12 validity and weight as in any criminal prosecution.

13           (Source: P.A. 91-257, eff. 1-1-00.)

14           (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

15           Sec. 28-1.1. Syndicated gambling.

16           (a) Declaration of Purpose. Recognizing the close  
17 relationship between professional gambling and other organized  
18 crime, it is declared to be the policy of the legislature to  
19 restrain persons from engaging in the business of gambling for  
20 profit in this State. This Section shall be liberally construed  
21 and administered with a view to carrying out this policy.

22           (b) A person commits syndicated gambling when he operates a  
23 "policy game" or engages in the business of bookmaking.

24           (c) A person "operates a policy game" when he knowingly  
25 uses any premises or property for the purpose of receiving or

1 knowingly does receive from what is commonly called "policy":

2 (1) money from a person other than the better or player  
3 whose bets or plays are represented by such money; or

4 (2) written "policy game" records, made or used over  
5 any period of time, from a person other than the better or  
6 player whose bets or plays are represented by such written  
7 record.

8 (d) A person engages in bookmaking when he receives or  
9 accepts more than five bets or wagers upon the result of any  
10 trials or contests of skill, speed or power of endurance or  
11 upon any lot, chance, casualty, unknown or contingent event  
12 whatsoever, which bets or wagers shall be of such size that the  
13 total of the amounts of money paid or promised to be paid to  
14 such bookmaker on account thereof shall exceed \$2,000.  
15 Bookmaking is the receiving or accepting of such bets or wagers  
16 regardless of the form or manner in which the bookmaker records  
17 them.

18 (e) Participants in any of the following activities shall  
19 not be convicted of syndicated gambling:

20 (1) Agreements to compensate for loss caused by the  
21 happening of chance including without limitation contracts  
22 of indemnity or guaranty and life or health or accident  
23 insurance; and

24 (2) Offers of prizes, award or compensation to the  
25 actual contestants in any bona fide contest for the  
26 determination of skill, speed, strength or endurance or to

1 the owners of animals or vehicles entered in such contest;  
2 and

3 (3) Pari-mutuel betting as authorized by law of this  
4 State; and

5 (4) Manufacture of gambling devices, including the  
6 acquisition of essential parts therefor and the assembly  
7 thereof, for transportation in interstate or foreign  
8 commerce to any place outside this State when such  
9 transportation is not prohibited by any applicable Federal  
10 law; and

11 (5) Raffles when conducted in accordance with the  
12 Raffles Act; and

13 (6) Gambling games conducted on riverboats, in  
14 casinos, or at electronic gaming facilities when  
15 authorized by the Illinois ~~Riverboat~~ Gambling Act.

16 (f) Sentence. Syndicated gambling is a Class 3 felony.

17 (Source: P.A. 86-1029; 87-435.)

18 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

19 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is  
20 any real estate, vehicle, boat or any other property whatsoever  
21 used for the purposes of gambling other than gambling conducted  
22 in the manner authorized by the Illinois ~~Riverboat~~ Gambling  
23 Act. Any person who knowingly permits any premises or property  
24 owned or occupied by him or under his control to be used as a  
25 gambling place commits a Class A misdemeanor. Each subsequent

1 offense is a Class 4 felony. When any premises is determined by  
2 the circuit court to be a gambling place:

3 (a) Such premises is a public nuisance and may be proceeded  
4 against as such, and

5 (b) All licenses, permits or certificates issued by the  
6 State of Illinois or any subdivision or public agency thereof  
7 authorizing the serving of food or liquor on such premises  
8 shall be void; and no license, permit or certificate so  
9 cancelled shall be reissued for such premises for a period of  
10 60 days thereafter; nor shall any person convicted of keeping a  
11 gambling place be reissued such license for one year from his  
12 conviction and, after a second conviction of keeping a gambling  
13 place, any such person shall not be reissued such license, and

14 (c) Such premises of any person who knowingly permits  
15 thereon a violation of any Section of this Article shall be  
16 held liable for, and may be sold to pay any unsatisfied  
17 judgment that may be recovered and any unsatisfied fine that  
18 may be levied under any Section of this Article.

19 (Source: P.A. 86-1029.)

20 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

21 Sec. 28-5. Seizure of gambling devices and gambling funds.

22 (a) Every device designed for gambling which is incapable  
23 of lawful use or every device used unlawfully for gambling  
24 shall be considered a "gambling device", and shall be subject  
25 to seizure, confiscation and destruction by the Department of

1 State Police or by any municipal, or other local authority,  
2 within whose jurisdiction the same may be found. As used in  
3 this Section, a "gambling device" includes any slot machine,  
4 and includes any machine or device constructed for the  
5 reception of money or other thing of value and so constructed  
6 as to return, or to cause someone to return, on chance to the  
7 player thereof money, property or a right to receive money or  
8 property. With the exception of any device designed for  
9 gambling which is incapable of lawful use, no gambling device  
10 shall be forfeited or destroyed unless an individual with a  
11 property interest in said device knows of the unlawful use of  
12 the device.

13 (b) Every gambling device shall be seized and forfeited to  
14 the county wherein such seizure occurs. Any money or other  
15 thing of value integrally related to acts of gambling shall be  
16 seized and forfeited to the county wherein such seizure occurs.

17 (c) If, within 60 days after any seizure pursuant to  
18 subparagraph (b) of this Section, a person having any property  
19 interest in the seized property is charged with an offense, the  
20 court which renders judgment upon such charge shall, within 30  
21 days after such judgment, conduct a forfeiture hearing to  
22 determine whether such property was a gambling device at the  
23 time of seizure. Such hearing shall be commenced by a written  
24 petition by the State, including material allegations of fact,  
25 the name and address of every person determined by the State to  
26 have any property interest in the seized property, a

1 representation that written notice of the date, time and place  
2 of such hearing has been mailed to every such person by  
3 certified mail at least 10 days before such date, and a request  
4 for forfeiture. Every such person may appear as a party and  
5 present evidence at such hearing. The quantum of proof required  
6 shall be a preponderance of the evidence, and the burden of  
7 proof shall be on the State. If the court determines that the  
8 seized property was a gambling device at the time of seizure,  
9 an order of forfeiture and disposition of the seized property  
10 shall be entered: a gambling device shall be received by the  
11 State's Attorney, who shall effect its destruction, except that  
12 valuable parts thereof may be liquidated and the resultant  
13 money shall be deposited in the general fund of the county  
14 wherein such seizure occurred; money and other things of value  
15 shall be received by the State's Attorney and, upon  
16 liquidation, shall be deposited in the general fund of the  
17 county wherein such seizure occurred. However, in the event  
18 that a defendant raises the defense that the seized slot  
19 machine is an antique slot machine described in subparagraph  
20 (b) (7) of Section 28-1 of this Code and therefore he is exempt  
21 from the charge of a gambling activity participant, the seized  
22 antique slot machine shall not be destroyed or otherwise  
23 altered until a final determination is made by the Court as to  
24 whether it is such an antique slot machine. Upon a final  
25 determination by the Court of this question in favor of the  
26 defendant, such slot machine shall be immediately returned to

1 the defendant. Such order of forfeiture and disposition shall,  
2 for the purposes of appeal, be a final order and judgment in a  
3 civil proceeding.

4 (d) If a seizure pursuant to subparagraph (b) of this  
5 Section is not followed by a charge pursuant to subparagraph  
6 (c) of this Section, or if the prosecution of such charge is  
7 permanently terminated or indefinitely discontinued without  
8 any judgment of conviction or acquittal (1) the State's  
9 Attorney shall commence an in rem proceeding for the forfeiture  
10 and destruction of a gambling device, or for the forfeiture and  
11 deposit in the general fund of the county of any seized money  
12 or other things of value, or both, in the circuit court and (2)  
13 any person having any property interest in such seized gambling  
14 device, money or other thing of value may commence separate  
15 civil proceedings in the manner provided by law.

16 (e) Any gambling device displayed for sale to a riverboat  
17 gambling operation, casino gambling operation, or electronic  
18 gaming facility or used to train occupational licensees of a  
19 riverboat gambling operation, casino gambling operation, or  
20 electronic gaming facility as authorized under the Illinois  
21 ~~Riverboat~~ Gambling Act is exempt from seizure under this  
22 Section.

23 (f) Any gambling equipment, devices and supplies provided  
24 by a licensed supplier in accordance with the Illinois  
25 ~~Riverboat~~ Gambling Act which are removed from a the riverboat,  
26 casino, or electronic gaming facility for repair are exempt

1 from seizure under this Section.

2 (Source: P.A. 87-826.)

3 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

4 Sec. 28-7. Gambling contracts void.

5 (a) All promises, notes, bills, bonds, covenants,  
6 contracts, agreements, judgments, mortgages, or other  
7 securities or conveyances made, given, granted, drawn, or  
8 entered into, or executed by any person whatsoever, where the  
9 whole or any part of the consideration thereof is for any money  
10 or thing of value, won or obtained in violation of any Section  
11 of this Article are null and void.

12 (b) Any obligation void under this Section may be set aside  
13 and vacated by any court of competent jurisdiction, upon a  
14 complaint filed for that purpose, by the person so granting,  
15 giving, entering into, or executing the same, or by his  
16 executors or administrators, or by any creditor, heir, legatee,  
17 purchaser or other person interested therein; or if a judgment,  
18 the same may be set aside on motion of any person stated above,  
19 on due notice thereof given.

20 (c) No assignment of any obligation void under this Section  
21 may in any manner affect the defense of the person giving,  
22 granting, drawing, entering into or executing such obligation,  
23 or the remedies of any person interested therein.

24 (d) This Section shall not prevent a licensed owner of a  
25 riverboat gambling operation, casino gambling operation, or an

1 electronic gaming licensee under the Illinois Gambling Act and  
2 the Illinois Horse Racing Act of 1975 from instituting a cause  
3 of action to collect any amount due and owing under an  
4 extension of credit to a ~~riverboat~~ gambling patron as  
5 authorized under Section 11.1 of the Illinois Riverboat  
6 Gambling Act.

7 (Source: P.A. 87-826.)

8 Section 90-57. The Eminent Domain Act is amended by adding  
9 Section 15-5-45 as follows:

10 (735 ILCS 30/15-5-45 new)

11 Sec. 15-5-45. Eminent domain powers in New Acts. The  
12 following provisions of law may include express grants of the  
13 power to acquire property by condemnation or eminent domain:

14 Chicago Casino Development Authority Act; City of Chicago; for  
15 the purposes of the Act.

16 Illinois Casino Development Authority Act; Illinois Casino  
17 Development Authority; for the purposes of the Act.

18 Section 90-60. The Payday Loan Reform Act is amended by  
19 changing Section 3-5 as follows:

20 (815 ILCS 122/3-5)

21 Sec. 3-5. Licensure.

1           (a) A license to make a payday loan shall state the  
2 address, including city and state, at which the business is to  
3 be conducted and shall state fully the name of the licensee.  
4 The license shall be conspicuously posted in the place of  
5 business of the licensee and shall not be transferable or  
6 assignable.

7           (b) An application for a license shall be in writing and in  
8 a form prescribed by the Secretary. The Secretary may not issue  
9 a payday loan license unless and until the following findings  
10 are made:

11                 (1) that the financial responsibility, experience,  
12 character, and general fitness of the applicant are such as  
13 to command the confidence of the public and to warrant the  
14 belief that the business will be operated lawfully and  
15 fairly and within the provisions and purposes of this Act;  
16 and

17                 (2) that the applicant has submitted such other  
18 information as the Secretary may deem necessary.

19           (c) A license shall be issued for no longer than one year,  
20 and no renewal of a license may be provided if a licensee has  
21 substantially violated this Act and has not cured the violation  
22 to the satisfaction of the Department.

23           (d) A licensee shall appoint, in writing, the Secretary as  
24 attorney-in-fact upon whom all lawful process against the  
25 licensee may be served with the same legal force and validity  
26 as if served on the licensee. A copy of the written

1 appointment, duly certified, shall be filed in the office of  
2 the Secretary, and a copy thereof certified by the Secretary  
3 shall be sufficient evidence to subject a licensee to  
4 jurisdiction in a court of law. This appointment shall remain  
5 in effect while any liability remains outstanding in this State  
6 against the licensee. When summons is served upon the Secretary  
7 as attorney-in-fact for a licensee, the Secretary shall  
8 immediately notify the licensee by registered mail, enclosing  
9 the summons and specifying the hour and day of service.

10 (e) A licensee must pay an annual fee of \$1,000. In  
11 addition to the license fee, the reasonable expense of any  
12 examination or hearing by the Secretary under any provisions of  
13 this Act shall be borne by the licensee. If a licensee fails to  
14 renew its license by December 31, its license shall  
15 automatically expire; however, the Secretary, in his or her  
16 discretion, may reinstate an expired license upon:

17 (1) payment of the annual fee within 30 days of the  
18 date of expiration; and

19 (2) proof of good cause for failure to renew.

20 (f) Not more than one place of business shall be maintained  
21 under the same license, but the Secretary may issue more than  
22 one license to the same licensee upon compliance with all the  
23 provisions of this Act governing issuance of a single license.  
24 The location, except those locations already in existence as of  
25 June 1, 2005, may not be within one mile of a horse race track  
26 subject to the Illinois Horse Racing Act of 1975, within one

1 mile of a facility at which gambling is conducted under the  
2 Illinois Riverboat Gambling Act, within one mile of the  
3 location at which a riverboat subject to the Illinois Riverboat  
4 Gambling Act docks, within one mile of the location of a casino  
5 subject to the Illinois Gambling Act, within one mile of the  
6 location of an electronic gaming facility subject to the  
7 Illinois Gambling Act, or within one mile of any State of  
8 Illinois or United States military base or naval installation.

9 (g) No licensee shall conduct the business of making loans  
10 under this Act within any office, suite, room, or place of  
11 business in which any other business is solicited or engaged in  
12 unless the other business is licensed by the Department or, in  
13 the opinion of the Secretary, the other business would not be  
14 contrary to the best interests of consumers and is authorized  
15 by the Secretary in writing.

16 (h) The Secretary shall maintain a list of licensees that  
17 shall be available to interested consumers and lenders and the  
18 public. The Secretary shall maintain a toll-free number whereby  
19 consumers may obtain information about licensees. The  
20 Secretary shall also establish a complaint process under which  
21 an aggrieved consumer may file a complaint against a licensee  
22 or non-licensee who violates any provision of this Act.

23 (Source: P.A. 94-13, eff. 12-6-05.)

24 Section 90-65. The Travel Promotion Consumer Protection  
25 Act is amended by changing Section 2 as follows:

1 (815 ILCS 420/2) (from Ch. 121 1/2, par. 1852)

2 Sec. 2. Definitions.

3 (a) "Travel promoter" means a person, including a tour  
4 operator, who sells, provides, furnishes, contracts for,  
5 arranges or advertises that he or she will arrange wholesale or  
6 retail transportation by air, land, sea or navigable stream,  
7 either separately or in conjunction with other services.  
8 "Travel promoter" does not include (1) an air carrier; (2) a  
9 sea carrier; (3) an officially appointed agent of an air  
10 carrier who is a member in good standing of the Airline  
11 Reporting Corporation; (4) a travel promoter who has in force  
12 \$1,000,000 or more of liability insurance coverage for  
13 professional errors and omissions and a surety bond or  
14 equivalent surety in the amount of \$100,000 or more for the  
15 benefit of consumers in the event of a bankruptcy on the part  
16 of the travel promoter; or (5) a riverboat subject to  
17 regulation under the Illinois Riverboat ~~Riverboat~~ Gambling Act.

18 (b) "Advertise" means to make any representation in the  
19 solicitation of passengers and includes communication with  
20 other members of the same partnership, corporation, joint  
21 venture, association, organization, group or other entity.

22 (c) "Passenger" means a person on whose behalf money or  
23 other consideration has been given or is to be given to  
24 another, including another member of the same partnership,  
25 corporation, joint venture, association, organization, group

1 or other entity, for travel.

2 (d) "Ticket or voucher" means a writing or combination of  
3 writings which is itself good and sufficient to obtain  
4 transportation and other services for which the passenger has  
5 contracted.

6 (Source: P.A. 91-357, eff. 7-29-99.)

7 ARTICLE 99.

8 Section 99-95. No acceleration or delay. Where this Act  
9 makes changes in a statute that is represented in this Act by  
10 text that is not yet or no longer in effect (for example, a  
11 Section represented by multiple versions), the use of that text  
12 does not accelerate or delay the taking effect of (i) the  
13 changes made by this Act or (ii) provisions derived from any  
14 other Public Act.

15 Section 99-99. Effective date. This Act takes effect upon  
16 becoming law."